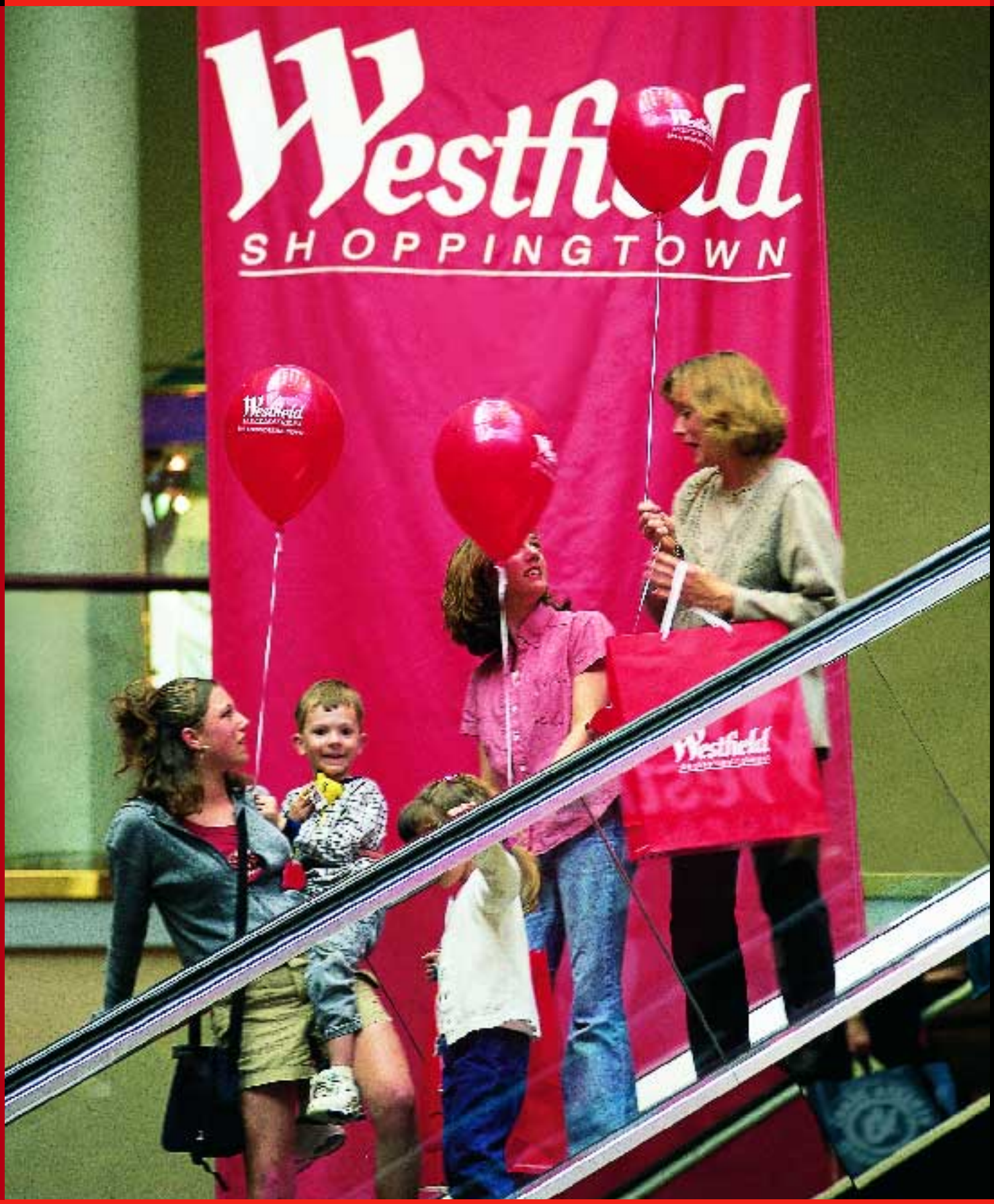

Westfield America Trust

ANNUAL REPORT 2000

Westfield Shoppingtown Connecticut Post, Connecticut

C O N T E N T S

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Overview of Year 2000

W E S T F I E L D A M E R I C A T R U S T 2 0 0 0

Westfield America Trust is one of the largest property trusts listed on the Australian Stock Exchange. Its market capitalisation was **$1.9 billion** as at 31 December 2000.

Its sole investment is a 56.9% economic interest in Westfield America, Inc., the fourth-largest listed shopping centre Real Estate Investment Trust in the USA and the largest shopping centre company in California.

Westfield America, Inc. is listed on the New York Stock Exchange and owns **39 Westfield Shoppingtowns** located in nine States, serving approximately 10% of the US population and anchored by many of the country's leading retailers.

Westfield Shoppingtowns in the US feature more than 5,000 retailers, 3.5 million square metres of retail space and generate $6.1 billion in annual mall sales.

All major centres in the Westfield America portfolio are branded *Westfield Shoppingtown,* and provide a **superior shopping experience** through a consistent commitment to quality retailing, exceptional customer service and involvement in the local community.

Financial Highlights

WESTFIELD AMERICA TRUST 2000

This year's performance produced another **strong result** for the Westfield America Trust unit holders.

Our Goals

Westfield America Trust's goal is to produce income and capital growth for its investors.

The Trust achieves this through:

- An investment strategy to acquire and redevelop regional shopping malls that have growth potential and are located in stable, economically strong markets;
- Intensive management to ensure each asset "works hard" to reach its full potential for its investors;
- Branding all of our centres *Westfield Shoppingtown* and establishing consistent management practices, customer services and marketing in the centres to consolidate market penetration and build customer loyalty.

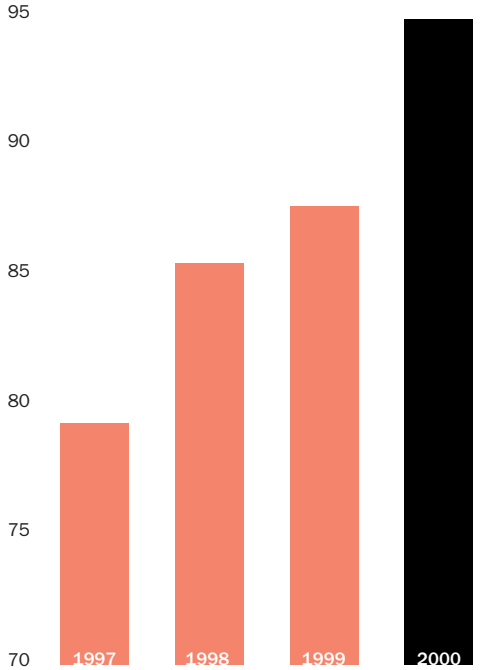
The Trust's success since listing is highlighted by:

- Compound annual returns to unit holders of 19% per annum;
- The portfolio growing from 22 to 39 Shoppingtowns;
- Westfield Shoppingtowns being 94% leased, at the top of the range for the US shopping centre industry.

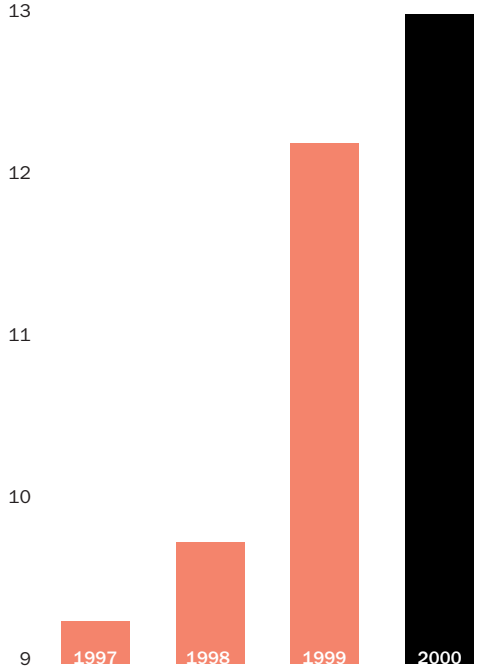
Financial Highlights

	1998	1999	2000	1999/2000 % Change
Net assets (US$ million)	1,500.3	1,686.3	1,873.2	+11.1%
Unit holders' funds (US$ million)	773.5	895.5	1,121.2	+25.2%
Net asset backing (US$/unit)	0.86	0.88	0.95	+8.2%
Number of units on issue (million)	904.6	1,021.5	1,181.7	
Operating profit before tax ($ million)	94.5	124.4	152.3	+22.4%
Operating profit after tax ($ million)	88.1	115.2	141.8	+23.1%

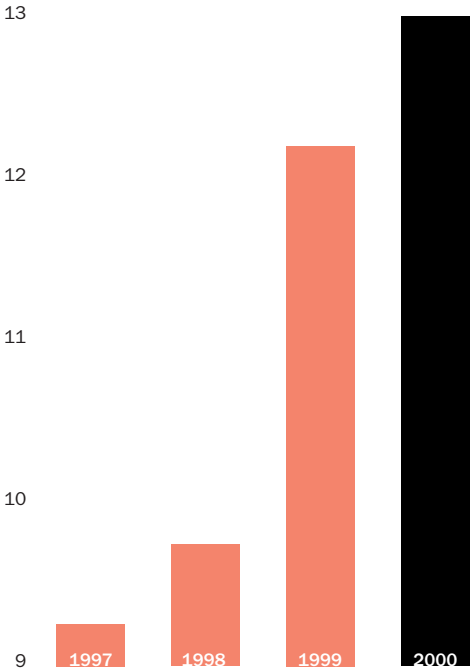
Note: In this Annual Report, all amounts are expressed in Australian dollars unless stated otherwise.



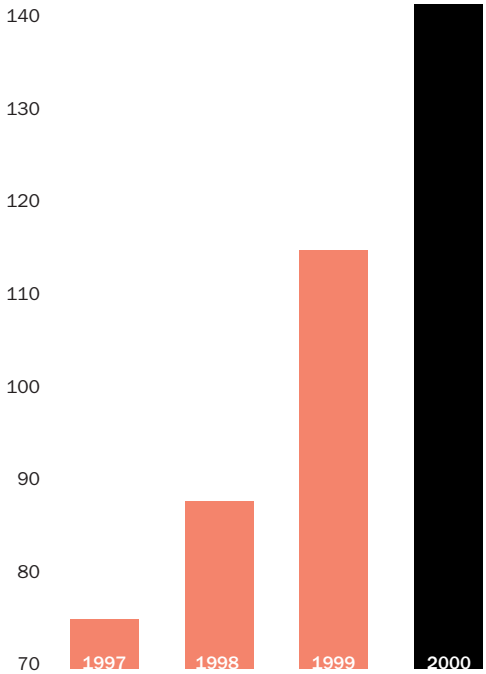
NET TANGIBLE ASSETS
per unit (US cents)



DISTRIBUTION
per unit (cents)



EARNINGS
per unit (cents)



OPERATING PROFIT
AFTER TAX ($million)

Westfield Shoppingtowns

WESTFIELD AMERICA TRUST 2000

WASHINGTON

Capital
Vancouver (99.5%)

CALIFORNIA

NORTHERN CALIFORNIA

Downtown
Oakridge
Solano
Valley Fair (50%)

LOS ANGELES

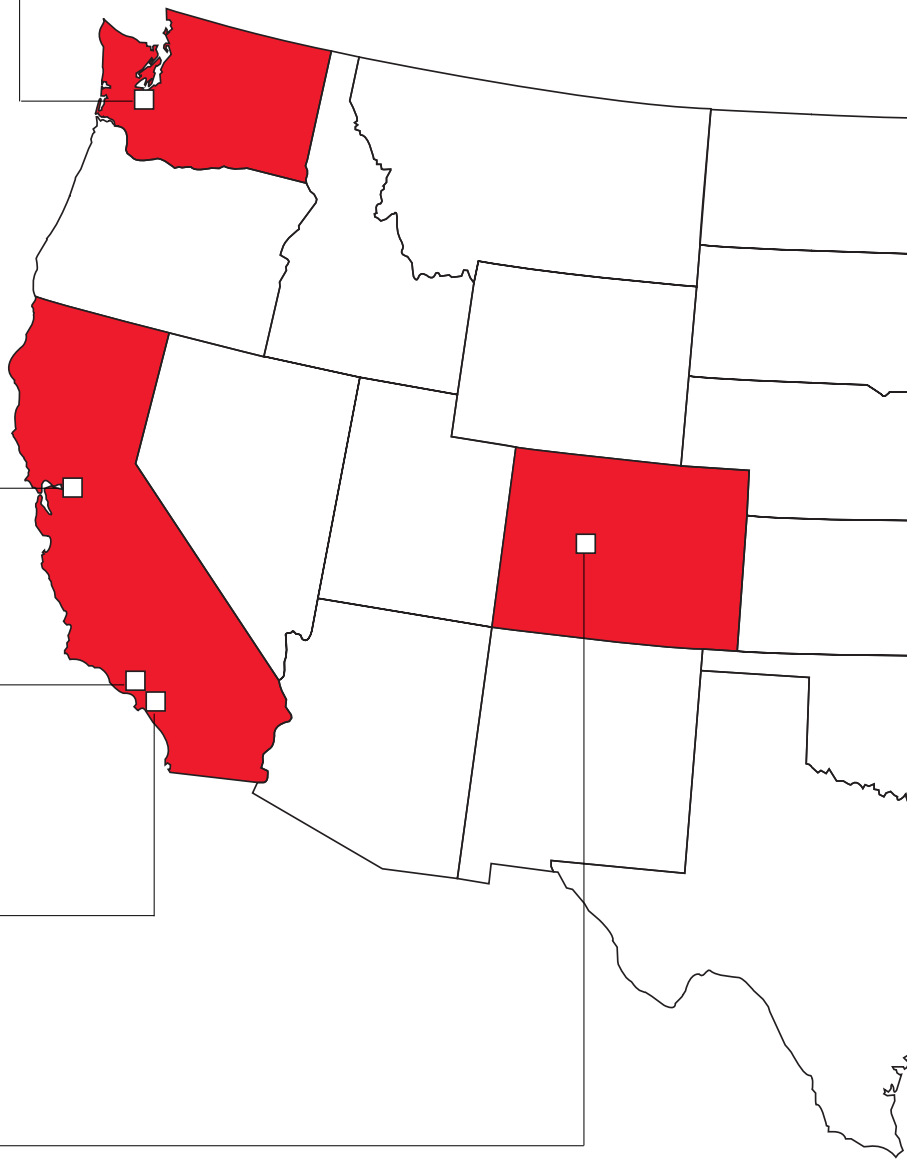
Eagle Rock
Eastland
Fox Hills
Palm Desert
Promenade
Santa Anita (90%)
Topanga
West Covina

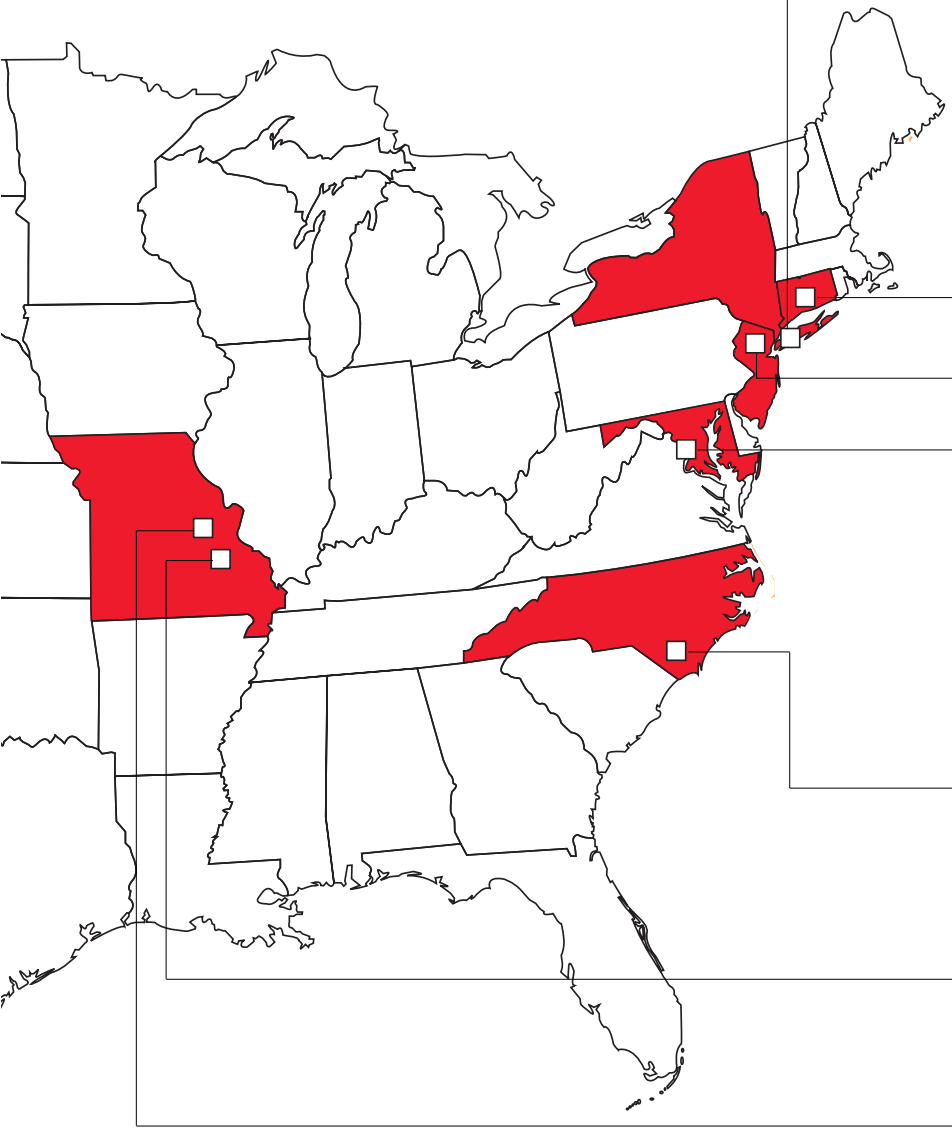
SAN DIEGO

Horton Plaza
Mission Valley (76%)
Mission Valley West (76%)
North County
Parkway
Plaza Bonita
Plaza Camino Real (40%)
UTC (50%)

COLORADO

Westland





NEW YORK

South Shore

CONNECTICUT

Connecticut Post
Enfield
Meriden
Trumbull

NEW JERSEY

Garden State Plaza (50%)

MARYLAND

Annapolis
Montgomery
Wheaton

NORTH CAROLINA

Independence (85%)

MISSOURI

CAPE GIRARDEAU

West Park

ST LOUIS

Crestwood
Mid Rivers
Northwest
South County
West County

Note: Westfield America, Inc. owns 100% of each shopping centre unless stated otherwise.

Year in Review

WESTFIELD AMERICA TRUST 2000

The underlying strength of the portfolio is shown by the **positive leasing results** and the **excellent progress** of the redevelopment program.

Westfield America Trust achieved a profit of $141.8 million for the year to 31 December 2000, an increase of 23.1% on last year's result. This represents 13.01 cents per unit.

The profit is after US withholding tax for which Australian investors receive a tax credit. The cash distribution to ordinary unit holders for the 2000 year is 13.01 cents per unit, an increase of 6.6% over 1999.

Westfield America Trust's portfolio of 39 shopping centres performed well during the year with specialty store sales increasing by 4.7% on a comparable basis to US$3.4 billion. Sales in the first half of the year were very strong, up 6.7% over the same period last year, before easing in the second half of the year.

The fundamentals of the portfolio remain strong – specialty store space was 94% leased, at the top of the range for the US shopping centre industry. The underlying strength of the portfolio is shown by the positive leasing results and the excellent progress of the redevelopment program.

Westfield Shoppingtown Trumbull, Connecticut

WE PROMISE
TO KEEP YOU
SMILING EACH AND
EVERY TIME YOU
VISIT. OUR FRIENDLY
WESTFIELD
PEOPLE IN
ARE ALWAYS HERE
FOR YOU, WITH
DIRECTIONS, GIFT
SUGGESTIONS, AND
OF COURSE, A
FRIENDLY SMILE. IF
THERE'S ANYTHING
YOU NEED, JUST LET
US KNOW. SERVICE
WITH A SMILE.

Significantly, the underlying portfolio performance has translated into consistently strong returns for unit holders in the four years since the Trust listed on the Australian Stock Exchange.

	1 Year	3 Years	Since Listing (July 1996)
Westfield America Trust	19.52%	16.22%	19.05%
ASX Property Trust Index	18.06%	9.79%	13.96%
ASX All Ordinaries	3.60%	10.32%	11.97%

Source: UBS Warburg

Shopping Centre Acquisitions

- Westfield Shoppingtown Garden State Plaza – in June 2000, Westfield America acquired a 50% interest in Garden State Plaza, a super-regional mall located in Paramus, New Jersey. The centre is an outstanding asset, located about 16 kilometres outside New York City, and is the premier centre in its trade area of close to two million people.

  Westfield Shoppingtown Garden State Plaza has a gross leasable area of approximately 186,000 square metres and is anchored by five major US department stores: Macy's, Nordstrom, JCPenney, Neiman Marcus and Lord & Taylor. The Macy's and Nordstrom stores at Garden State Plaza are both very strong performers, each being in its respective chain's top five best-performing suburban stores in the country.

- Westfield Shoppingtown Vancouver – Westfield America acquired a 49.5% interest in Westfield Shoppingtown Vancouver, in addition to the 50% it already owned, for US$24.5 million plus the assumption of US$15.1 million of debt.

Capital Raisings

In August 2000, Westfield America Trust purchased from ABP, the large Dutch pension fund, 1,210,000 unlisted preference shares in Westfield America, Inc. for $219.4 million. This increased Westfield America Trust's interest in Westfield America, Inc. from 49.7% to 56.9%. To help fund the acquisition, Westfield America Trust raised $151.1 million through an underwritten placement of units to institutional investors.

Redevelopments

Projects worth a total of US$50 million were completed during the year and construction is currently underway at eight centres in four States.

A detailed overview of the Trust's redevelopment program – including completed, ongoing and future projects – appears on pages 10 to 11 of this Annual Report.

Units on Issue

At 31 December 2000 there were 1.18 billion Ordinary Units and 3.1 million Partly Paid Stapled Securities on issue.

Units issued during the period

	No. of Units	Issue Price
August placement	99.4 million	$1.52
August DRP	31.0 million	$1.55

Hedging

Westfield America Trust has arrangements in place to hedge its US dollar income into Australian dollars. The hedging arrangements will be maintained on a rolling five-year basis with up to 95% of anticipated distributions hedged for the 12 months and reducing levels of cover for the following years.
The Trust's income is substantially hedged for 2001.

Outlook

Westfield America Trust moves into 2001 with continuing strong demand for space in Westfield Shoppingtowns and the performance of the portfolio being further improved through management efficiencies and the extensive redevelopment program.

Westfield America Trust is confident of achieving further growth in income from the Trust's portfolio which should result in increased distributions to unit holders.

On 15 February 2001, Westfield America Trust announced it had agreed to acquire all outstanding common shares in Westfield America, Inc. held by the public for US$16.25 per share, representing a transaction value of about A$510 million. Westfield America Trust is acquiring the outstanding shares in order to simplify its corporate structure. Approval for the transaction will be sought at a meeting of Westfield America Trust unit holders. The transaction is expected to have an accretive effect on future distributions to Westfield America Trust unit holders.

Redevelopments

Westfield America is currently implementing the largest redevelopment program in the Trust's history in the United States. During 2000, projects worth a total of US$50 million were completed at Westfield Shoppingtowns Connecticut Post in Connecticut and Mid Rivers in Missouri.

Construction is currently underway at eight centres in four States in each of the key geographic regions: the west coast, the mid west and the east coast. These projects have a combined value of approximately US$600 million.

Importantly for unit holders, the substantial investment made to redevelop the shopping centres enhances the total return from these centres over the medium to long term. At the same time, the Trust seeks to achieve an initial yield from the projects that is greater than the cost of capital for the Trust, leading to distribution growth.

The status of the current redevelopment projects is outlined below:

West Coast

- Westfield Shoppingtown Valley Fair, California – this US$165 million redevelopment is progressing well. Two new parking structures are open and the new 21,000 square metre Nordstrom is under construction with a planned opening in the second quarter of 2001. New and reconfigured mall shops totalling 26,000 square metres will open in two phases. Phase One, consisting of 13,000 square metres, will open in conjunction with Nordstrom and is currently 91% leased. Phase Two, the reconfiguration of the existing Nordstrom building into mall shops, is planned for completion in the second quarter of 2002.
- Westfield Shoppingtown Parkway, California – the US$14 million redevelopment of the community retail strip centre, on the eastern edge of the property, is being completed. This

Westfield Shoppingtown Valley Fair, California

redevelopment includes a new Office Depot, which is currently open. Best Buy and Borders Books, along with additional shops, will open in the first quarter of 2001.

- Westfield Shoppingtown Promenade, California – ground was broken for the centre's US$35 million redevelopment in August. The project will transform the centre into an entertainment/retail centre by redesigning the lower level and adding five new destination tenants and restaurants. The second level will be designed and re-merchandised to complement the new lower level tenants and the existing, highly successful AMC Theatre. Upon completion in the second quarter of 2001, the new entertainment venues are expected to establish the centre as a leading lifestyle and entertainment destination in the West San Fernando Valley.

Mid West

- Westfield Shoppingtown West County, Missouri – this US$232 million redevelopment commenced with an official ground-breaking ceremony on 12 June 2000. Currently, the new flagship, Famous-Barr is under construction and the existing centre ceased trading in January 2001 to allow for demolition and redevelopment of the site. Upon completion, scheduled for the second half of 2002, Westfield Shoppingtown West County will re-emerge as a new super-regional mall of more than 110,000 square metres, including the only Nordstrom in St Louis, flagship Lord & Taylor and Famous-Barr stores and a renovated JCPenney department store.

- Westfield Shoppingtown South County, Missouri – this US$54 million redevelopment was launched on 20 July 2000. The project consists of a new Sears department store and two levels of new and reconfigured mall shops totalling 17,000 square metres, along with a new food court and comprehensive renovation of the existing centre. Construction is on schedule for opening in the second half of this year.

East Coast

- Westfield Shoppingtown Independence, North Carolina – ground was broken on this US$55 million project on 4 May 2000. The new Dillard's and 15,000 square metres of specialty shops are under construction and are progressing on schedule for a third quarter 2001 opening.

- Westfield Shoppingtown Montgomery, Maryland – is currently anchored by Nordstrom, Hecht's and Sears. The May Company acquired the top level of the former JCPenney Store, allowing Hecht's to relocate its Home Store and facilitate the expansion and remodelling of its existing store. The Company acquired the lower level of the JCPenney store, enabling the addition of 5,900 square metres of gross leasable area, including a 2,300 square metres Old Navy, to enhance the Shoppingtown's merchandise mix. The total project cost is approximately US$19 million with an estimated completion date of the second half of this year.

- Westfield Shoppingtown Annapolis, Maryland – a new 4,800 square metre Crown Theater has opened and is trading well. An additional 3,000 square metres of new and reconfigured mall shops and restaurants will open progressively in 2001. The total project cost is approximately US$23 million.

Construction is planned to commence on the following properties during 2001:

- Westfield Shoppingtown Enfield, Connecticut – The US$11 million redevelopment plan incorporates a new 11,700 square metre Target store, a new entrance court and revised mall connection to the centre court as well as off site road improvements. The redevelopment is scheduled to be completed in the second quarter of 2002.

- Westfield Shoppingtown Palm Desert, California – this US$30 million redevelopment, including a new Sears, expanded Macy's and Robinson's-May, and a comprehensive renovation, will competitively reposition the centre in its market.

- Westfield Shoppingtown Plaza Bonita, California – this US$5 million redevelopment plan consists of the renovation of the enclosed mall and food court and the addition of two peripheral restaurant pads. The redevelopment is scheduled to be completed in the second half of this year.

Westfield Shoppingtown
Garden State Plaza

WESTFIELD AMERICA TRUST 2000

Westfield America Trust's portfolio increased to 39 shopping centres in June 2000 following Westfield America, Inc.'s purchase of 50% of Westfield Shoppingtown Garden State Plaza, one of the most successful shopping centres on the East Coast of the United States.

Westfield Shoppingtown Garden State Plaza is an outstanding asset. It is located about 16 kilometres outside New York City and is the premier shopping centre in its trade area of close to two million people. The centre achieves annual sales of more than US$700 million.

Five major US department stores anchor the centre – Macy's, Nordstrom, JCPenney, Neiman Marcus and Lord & Taylor. The Macy's and Nordstrom stores are both very strong performers, each being in its respective chain's top five best performing suburban stores in the country.

Westfield Holdings Limited Group assumed ownership and management of Garden State Plaza in 1986. The centre was soon improved through the transformation of a pre-existing truck tunnel into a new shopping level. When completed in 1989, the former truck tunnel had become a retail level with 52 stores, significantly increasing income.

Further redevelopment works began in 1993, including the expansion of JCPenney, the

Westfield Shoppingtown Garden State Plaza, New Jersey

addition of Neiman Marcus and Lord & Taylor, upgrading the food court and the addition of a new wing with 100 specialty stores. These improvements have helped Westfield Shoppingtown Garden State Plaza become one of the best performing centres on the East Coast.

The acquisition of 50% of Westfield Shoppingtown Garden State Plaza strengthens the Westfield America portfolio and the centre is well placed to build on its current strong performance.

Garden State Plaza is one of the **most successful** shopping centres on the East Coast

Westfield and the Community

WESTFIELD AMERICA TRUST 2000

Westfield Shoppingtowns serve their local communities by providing an enjoyable and quality shopping and entertainment experience. They also contribute substantially to the well-being of their local communities by offering a range of activities and supporting local schools, charities and non-profit organisations.

In 1998, Westfield became the first shopping centre owner and operator in the US to consistently brand all its shopping centres. This major initiative – which included coordinated national marketing strategies and an upgrading of retailer and customer services – is designed to clearly differentiate Westfield Shoppingtowns from the competition by establishing a consistent image across the country.

Community involvement is a key focus for Westfield Shoppingtowns and each Shoppingtown has programs aimed at different sections of its local community. These range from mall walk programs that allow locals to take their early morning exercise in an air-conditioned and safe environment, to Kids' Club programs in the afternoon. Mall space is regularly provided for use by schools, charities and community organisations.

Westfield's commitment to its local communities is epitomised by *Westfield Works Wonders*, an annual after-hours, pre-Thanksgiving event at which shoppers enjoy special store discounts, celebrity guest appearances and free entertainment while helping their local communities.

The inaugural *Westfield Works Wonders* took place in 1997 at four Westfield Shoppingtowns in Connecticut. It has since grown to become a national event and this year it was held simultaneously at more than 34 Westfield Shoppingtowns across the US.

Shoppers buy tickets to attend *Westfield Works Wonders* at their local Westfield Shoppingtown and the ticket sale proceeds benefit local charities, schools, hospitals, churches and youth groups.

Westfield Works Wonders this year raised US$1.6 million for 2,000 charities and non-profit organisations in communities served by Westfield Shoppingtowns across the US. Approximately 400,000 shoppers visited Westfield Shoppingtowns on the evening of 19 November, generating more than US$7 million in retail sales in just three hours.

Westfield Shoppingtown Valley Fair, California

For retailers, *Westfield Works Wonders* is a "bonus" evening because it provides an opportunity for shoppers to beat the holiday season rush and take advantage of special deals.

Again this year, Westfield's promotional partner, Coca-Cola, participated in *Westfield Works Wonders* providing products to give away to customers, as well as hats, T-shirts, tickets to local sporting events and vacation packages to raffle during the evening.

Westfield Works Wonders highlights the way that Westfield Shoppingtowns contribute substantially to the communities they serve.

An **enjoyable** and **quality shopping** and **entertainment experience.**

Property Portfolio as at 31 December 2000

WESTFIELD AMERICA TRUST 2000

	WEA EQUITY	BOOK VALUE AS AT 31/12/00 A$ MILLION	BOOK VALUE AS AT 31/12/00 US$ MILLION	TOTAL LEASABLE AREA M^2	SPECIALTY LEASABLE AREA M^2
San Diego					
Horton Plaza	100%	382.9	212.5	80,390	46,747
Mission Valley	76%			127,509	53,718
Mission Valley West	76%	238.6	132.3	19,796	19,796
North County	100%	269.1	149.3	117,007	35,223
Parkway	100%	303.1	168.1	99,814	43,494
Plaza Bonita	100%	241.4	133.9	76,859	29,554
Plaza Camino Real	40%	103.8	57.6	104,554	37,732
UTC	50%	171.1	94.9	96,190	40,985
Los Angeles					
Eagle Rock	100%	54.2	30.1	43,959	15,149
Eastland	100%	122.4	67.9	72,770	53,996
Fox Hills	100%	152.3	84.5	82,807	29,926
Palm Desert	100%	148.7	82.5	81,134	35,130
Promenade	100%	62.7	34.8	55,762	30,669
Santa Anita	90%	258.0	143.2	102,045	36,524
Topanga	100%	292.7	162.4	97,491	34,480
West Covina	100%	271.7	150.7	109,387	49,164
Northern California					
Downtown	100%	274.4	152.3	110,409	37,454
Oakridge	100%	148.8	82.5	74,257	30,762
Solano	100%	178.4	99.0	96,097	44,145
Valley Fair	50%	275.4	152.8	102,509	40,335
Washington					
Capital	100%	106.7	59.2	55,762	22,026
Vancouver	100%	155.7	86.4	82,063	31,784
St Louis					
Crestwood	100%	231.5	128.4	96,190	40,149
Mid Rivers	100%	224.8	124.7	94,981	41,171
Northwest	100%	246.0	136.5	167,193	63,476
South County	100%	137.7	76.4	68,123	22,212
West County	100%	86.7	48.1	54,182	14,126
West Park	100%	94.6	52.5	46,468	21,190
Colorado					
Westland	100%	47.4	26.3	43,773	12,825
Connecticut					
Connecticut Post	100%	324.3	179.9	94,331	39,777
Enfield	100%	114.3	63.4	66,543	27,323
Meriden	100%	287.2	159.3	84,480	34,573
Trumbull	100%	386.7	214.5	110,967	46,190
Maryland					
Annapolis	100%	405.2	224.8	110,502	46,097
Montgomery	100%	476.0	264.1	116,078	43,216
Wheaton	100%	220.4	122.3	119,424	43,402
North Carolina					
Independence	85%	104.4	58.0	62,268	19,145
New Jersey					
Garden State Plaza	50%	602.5	334.3	184,480	79,182
New York					
South Shore	100%	325.2	180.4	108,178	28,532
Total Portfolio		**8,527.0**	**4,730.8**	**3,516,729**	**1,421,376**

NUMBER OF SPECIALTY RETAILERS	PRIMARY TRADE AREA POPULATION '000S*	AVERAGE HOUSEHOLD INCOME US$*	MAJOR RETAILERS AND SPECIAL FEATURES
136	1,290	53,000	Macy's, Mervyn's, Nordstrom
93	1,132	56,800	Robinson's-May, Montgomery Ward, Macy's Home & Furniture, Bed Bath & Beyond, Nordstrom Rack, AMC 20 screen theatre, Seau's Sports Bar, Loehamns, Michaels
16	1,132	56,800	Golfsmith, Gateway computers, Old Navy, Borders
186	859	72,800	Nordstrom, Robinson's-May (2), JCPenney, Macy's, Sears
189	490	60,400	Robinson's-May, Sears, JCPenney, Mervyn's
144	712	47,600	Robinson's-May, JCPenney, Montgomery Ward, Mervyn's
156	523	62,800	Macy's (2), Sears, Robinson's-May, JCPenney
153	704	79,000	Nordstrom, Macy's (2), Robinson's-May, Sears
68	540	56,600	Robinson's-May, Montgomery Ward, 4-screen cinema
35	514	59,400	Power Centre: Target, Old Navy, Baby's 'R' Us, Burlington Coat, Chick's Sporting Goods
147	950	52,900	Macy's, Robinson's-May, JCPenney
150	320	52,400	Macy's (2), Robinson's-May (2), JCPenney
53	828	83,400	Macy's (2), AMC 14-screen theatre
161	724	64,700	Nordstrom, Macy's, Robinson's-May, JCPenney
131	828	83,400	Nordstrom, Robinson's-May, Sears, Montgomery Ward
208	844	61,500	Macy's, Robinson's-May, Sears, JCPenney
119	771	56,200	Macy's (2)
111	452	102,600	Macy's, Sears, Montgomery Ward
152	344	61,800	Macy's, Sears, JCPenney, Mervyn's, Best Buy
150	1,339	97,300	Nordstrom, Macy's (2)
100	201	50,400	JCPenney, Mervyn's, Bon Marche
140	337	58,300	Meier & Frank, Nordstrom, Sears, JCPenney, Mervyn's
156	612	56,300	Famous-Barr, Dillard's, Sears, 10-screen cinema
156	344	58,200	Famous-Barr, Dillard's, Sears, JCPenney
173	508	50,300	Famous-Barr, Dillard's, Sears, JCPenney
90	521	51,900	Famous-Barr, Dillard's, JCPenney
61	730	75,300	Famous-Barr, JCPenney
85	245	36,600	Famous-Barr, JCPenney, Shopko
15	264	54,500	Sears, Super Kmart
155	432	66,200	Filene's, JCPenney, Sears
76	310	63,600	Filene's, Sears, Hoyt's cinema
155	434	67,200	Filene's, Lord & Taylor, Sears, JCPenney
166	560	93,000	Macy's, Filene's, Lord & Taylor, JCPenney
173	503	74,400	Nordstrom, Hecht's, Lord & Taylor, JCPenney, Montgomery Ward
168	618	97,700	Nordstrom, Hecht's, Sears
128	466	74,600	Hecht's, JCPenney, Montgomery Ward
91	289	48,400	Belk, Sears, JCPenney
272	1,576	81,500	Macy's, Lord & Taylor, JCPenney, Nordstrom, Neiman Marcus
126	505	71,100	Macy's, Lord & Taylor, Sears, JCPenney
5,044			

*5 mile radius

The **Directors**

WESTFIELD AMERICA TRUST 2000

Frank P Lowy, AC
Chairman

Frank Lowy is Executive Chairman and co-founder of Westfield. He is a Member of the Board of the Reserve Bank of Australia and a Director of Daily Mail and General Trust plc (UK). A Director of Westfield America, Inc. since 1994.

Frederick G Hilmer, AO
Deputy Chairman

Appointed as a Non-Executive Director of Westfield Holdings in 1991 and Non-Executive Deputy Chairman in 1997, Frederick Hilmer holds degrees in Law from the Universities of Sydney and Pennsylvania and an MBA from the Wharton School of Finance. He is Chief Executive Officer of John Fairfax Holdings Limited. Prior to joining Fairfax, he was Dean and Professor of Management at the Australian Graduate School of Management at the University of NSW. He is Chairman of the Audit and Compliance Committee and a member of the Remuneration Committee.

David H Lowy
Deputy Chairman

Appointed Non-Executive Deputy Chairman in June 2000, David Lowy holds a Bachelor of Commerce degree from the University of NSW. He joined Westfield in 1977 and spent a number of years working for the Group in the USA. David Lowy was appointed Executive Director in 1982 and then Managing Director in 1987, a position he held until June 2000. David Lowy is a Principal of LFG Holdings. He is a member of the President's Council of the Children's Hospital at Westmead and is Founder and President of Temora Aviation Museum.

Robert A Ferguson

Appointed as a Non-Executive Director of Westfield Holdings in 1994, Robert Ferguson holds an Honours Degree in Economics from the University of Sydney and is an Associate of the Securities Institute of Australia. He is Chairman of Vodafone Pacific Limited and a Director of BT Financial Group Pty Ltd. He is a member of the Remuneration Committee.

David M Gonski

Appointed as a Non-Executive Director of Westfield Holdings in 1985, David Gonski holds degrees in law and commerce. He is Chairman of Wentworth Associates Pty Ltd and Morgan Stanley Dean Witter Australia Limited, Deputy Chairman of Coca-Cola Amatil Limited and a Director of John Fairfax Holdings Limited, President of the Art Gallery of New South Wales Trust and Chairman of the National Institute of Dramatic Art. He is a member of the Audit and Compliance Committee and the Remuneration Committee.

Stephen P Johns

Appointed as an Executive Director of Westfield Holdings in 1985, Stephen Johns holds a Bachelor of Economics degree from the University of Sydney and is an Associate of the Institute of Chartered Accountants in Australia. He joined Westfield in 1970 and became Finance Director of Westfield in 1985 and Group Finance Director in 1997. An Associate Director of Westfield America, Inc. since 1997.

Peter S Lowy

Appointed as an Executive Director of Westfield Holdings in 1987, Peter Lowy holds a Bachelor of Commerce degree from the University of NSW. Prior to joining Westfield in 1983, he worked in investment banking in the USA and UK. He has resided in the USA since 1990 and was appointed Managing Director in 1997. He is responsible for the Group's North American operations. A Director of Westfield America, Inc. since 1994. He is a member of the Board of Governors of the National Association of Real Estate Investment Trusts.

Steven M Lowy

Appointed as an Executive Director of Westfield Holdings in 1989, Steven Lowy holds a Bachelor of Commerce (Honours) degree from the University of NSW. In 1997, he was appointed Managing Director. He is responsible for the Group's operations in Australia, New Zealand and the UK. Prior to joining Westfield in 1987, he worked in investment banking in the USA. He is a Director of the Victor Chang Cardiac Research Institute. A Director of Westfield America, Inc. since 2000.

Dean R Wills, AO

Appointed as a Non-Executive Director of Westfield Holdings in 1994, Dean Wills is Deputy Chairman of the Australian Grand Prix Corporation, a Director of John Fairfax Holdings Limited and Australia Business Arts Foundation.

Carla M Zampatti, AM

Appointed as a Non-Executive Director of Westfield Holdings in 1997, Carla Zampatti is Executive Chairman of the Carla Zampatti Group. She is Chairman of the Special Broadcasting Service (SBS), a Director of McDonald's Australia Limited, British American Tobacco Australasia Limited, Australian Graduate School of Management and a Trustee of the Sydney Theatre Company Foundation Trust.

Westfield Shoppingtown Horton Plaza, San Diego

Statutory & Financial Statements

Consolidated

Profit and Loss Statement

for the year ended 31 December 2000

WESTFIELD AMERICA TRUST 2000

	Note 1(n)	US$ million 31 Dec 2000	US$ million 31 Dec 1999	A$ million 31 Dec 2000	A$ million 31 Dec 1999
Operating Revenue					
Shopping Centre Rental and Other Income		528.5	498.0	872.9	769.0
Department Store Lease Rental		7.9	7.9	13.0	12.2
Interest Income		10.0	18.4	16.6	28.5
Other Income		0.2	0.1	0.3	0.1
Share of Equity Accounted Joint Ventures' Net Profits	17(b)	27.6	18.3	45.5	28.3
		574.2	542.7	948.3	838.1
Less – Operating Expenditure					
Rates, Taxes and Other Property Outgoings	18	182.4	170.6	301.1	263.4
Interest and Other Borrowing Costs	19	159.4	156.9	263.2	242.2
Department Store Debt Interest Expense	19	4.8	5.0	8.0	7.7
Coupon on Capital Notes	19	24.1	24.1	41.5	37.4
Coupon on Convertible Redeemable Preference Shares	19	14.9	14.9	25.6	23.1
Legal Fees		0.1	0.0	0.1	0.0
Auditors' Remuneration	20	0.8	0.8	1.4	1.2
Trustee/Custodian Fees		0.0	0.1	0.0	0.1
Advisor's Service Fee	29(iii)(d)	11.3	9.8	18.6	15.1
Other Expenses		1.2	1.9	2.0	2.9
		399.0	384.1	661.5	593.1
Currency Translation Gains/(Losses)		–	–	0.1	(0.3)
Earnings Before Withholding Tax		175.2	158.6	286.9	244.7
Less – United States Withholding Tax thereon		7.7	7.2	12.2	11.1
Earnings After Withholding Tax but before Outside Equity Interests	32(b)	167.5	151.4	274.7	233.6
Less – Earnings After Withholding Tax Attributable to Outside Equity Interests		77.2	76.4	132.9	118.4
Earnings After Withholding Tax and Outside Equity Interests		90.3	75.0	141.8	115.2
Less – Distribution Paid		42.6	35.5	66.5	54.4
Less – Distribution Payable		47.7	39.5	75.3	60.8
Retained Earnings brought forward		33.9	33.9	52.9	52.9
Retained Earnings carried forward		33.9	33.9	52.9	52.9

	Note 1(n)	US$ million 31 Dec 2000	US$ million 31 Dec 1999	A$ million 31 Dec 2000	A$ million 31 Dec 1999
Earnings attributable to Members of Westfield America Trust					
Earnings before Withholding Tax		97.0	81.0	152.3	124.4
Less – United States Withholding Tax thereon		6.7	6.0	10.5	9.2
Earnings after Withholding Tax and Outside Equity Interests Attributable to Members of Westfield America Trust		90.3	75.0	141.8	115.2
Basic Earnings per Unit (cents)	21	**cents**	**cents**	**cents**	**cents**
Earnings before Withholding Tax		8.90	8.58	13.97	13.18
Less – United States Withholding Tax thereon		0.61	0.63	0.96	0.97
Earnings after Withholding Tax and Outside Equity Interests Attributable to Members of Westfield America Trust		8.29	7.95	13.01	12.21
Distribution per Unit (cents)		8.29	7.95	13.01	12.21

Refer Note 21 for Diluted Earnings Per Unit

Consolidated

Balance Sheet

as at 31 December 2000

WESTFIELD AMERICA TRUST 2000

	Note 1(n)	US$ million 31 Dec 2000	US$ million 31 Dec 1999	A$ million 31 Dec 2000	A$ million 31 Dec 1999
CURRENT ASSETS					
Cash		44.7	46.9	70.6	72.2
Receivables	2	25.6	27.9	46.0	42.8
Other	3	19.6	11.6	34.8	17.8
TOTAL CURRENT ASSETS		89.9	86.4	151.4	132.8
NON-CURRENT ASSETS					
Investments	4,5	4,757.7	4,307.2	8,575.5	6,590.9
Other	6	64.2	59.7	115.8	91.5
TOTAL NON-CURRENT ASSETS		4,821.9	4,366.9	8,691.3	6,682.4
TOTAL ASSETS		4,911.8	4,453.3	8,842.7	6,815.2
CURRENT LIABILITIES					
Accounts Payable	7	131.7	119.9	227.0	184.0
Borrowings	8	946.4	155.8	1,705.8	238.4
Capital Notes	9	100.4	–	180.9	–
TOTAL CURRENT LIABILITIES		1,178.5	275.7	2,113.7	422.4
NON-CURRENT LIABILITIES					
Accounts Payable	10	64.2	67.6	115.7	103.5
Borrowings	11	1,420.2	1,947.6	2,559.8	2,980.3
Capital Notes	12	200.7	301.1	361.8	460.7
Convertible Redeemable Preference Shares	13	175.0	175.0	315.4	267.8
TOTAL NON-CURRENT LIABILITIES		1,860.1	2,491.3	3,352.7	3,812.3
TOTAL LIABILITIES		3,038.6	2,767.0	5,466.4	4,234.7
NET ASSETS		1,873.2	1,686.3	3,376.3	2,580.5
EQUITY INTERESTS					
Parent Entity Interest					
Units on Issue	14	976.6	838.1	1,344.5	1,106.5
Reserves	15	110.7	23.5	623.4	211.0
Retained Earnings		33.9	33.9	52.9	52.9
Equity attributable to Members of Westfield America Trust		1,121.2	895.5	2,020.8	1,370.4
Outside Equity Interests					
Capital on Issue		572.8	656.2	779.7	858.0
Reserves		104.6	76.4	461.2	262.7
Retained Earnings		74.6	58.2	114.6	89.4
Total Outside Equity Interests	16	752.0	790.8	1,355.5	1,210.1
TOTAL EQUITY INTERESTS		1,873.2	1,686.3	3,376.3	2,580.5

Consolidated

Statement of Cash Flows

for the year ended 31 December 2000

WESTFIELD AMERICA TRUST 2000

	Note 1(n)	US$ million 31 Dec 2000	US$ million 31 Dec 1999	A$ million 31 Dec 2000	A$ million 31 Dec 1999
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts in the course of operations		528.0	495.3	871.6	764.9
Payments in the course of operations		(187.6)	(190.4)	(309.7)	(294.1)
Interest received		11.0	18.5	18.1	28.6
Distributions received from equity accounted joint ventures		27.2	18.3	45.0	28.3
CASH IN/(OUT) FLOWS FROM OPERATING ACTIVITIES	32(b)	378.6	341.7	625.0	527.7
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of property investments and construction in progress		(199.1)	(231.0)	(347.1)	(355.3)
Proceeds from sale of investments		–	243.6	–	372.4
Net cash flows from financing of investments in equity accounted joint ventures		(8.2)	11.7	(15.1)	18.1
CASH IN/(OUT) FLOWS FROM INVESTING ACTIVITIES		(207.3)	24.3	(362.2)	35.2
CASH FLOWS FROM FINANCING ACTIVITIES					
Issue of capital (net of costs)		143.1	109.8	246.1	167.9
Acquisition of minority interests		(143.4)	(6.1)	(248.0)	(9.4)
Borrowings – repayments		–	(168.1)	–	(256.1)
Borrowings – proceeds		204.9	–	357.6	–
Advance settlement of interest rate swaps		–	52.3	–	81.1
Interest and other borrowing costs paid		(220.4)	(214.8)	(365.1)	(331.6)
Distributions paid		(82.1)	(70.3)	(127.3)	(101.0)
Dividends and distributions paid by controlled entities to Outside Equity Interests		(61.6)	(62.2)	(105.2)	(96.6)
United States Withholding Tax paid		(14.0)	(12.8)	(22.6)	(19.5)
CASH IN/(OUT) FLOWS FROM FINANCING ACTIVITIES		(173.5)	(372.2)	(264.5)	(565.2)
NET CASH IN/(OUT) FLOWS FOR THE YEAR		(2.2)	(6.2)	(1.7)	(2.3)
CASH BALANCE AT BEGINNING OF THE YEAR		46.9	54.7	72.2	77.5
Adjustment to cash balance at the beginning of the year on application of equity accounting of previously proportionately consolidated joint venture interests		–	(1.6)	–	(2.7)
Exchange gains/(losses) on cash balance brought forward at beginning of the year		–	–	0.1	(0.3)
CASH BALANCE AT END OF THE YEAR	32(a)	44.7	46.9	70.6	72.2

NOTE 1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

(a) Basis of Preparation

The Financial Report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Law, applicable Australian Accounting Standards and other mandatory professional reporting requirements. The Financial Report has been prepared on the basis of historical cost accounting and does not purport to disclose current values except where, in accordance with the requirements of the Constitution, Group property investments are revalued at intervals of not more than three years. Such valuations are reflected in the Financial Report of the Group. On the occasion of a revaluation of a Group property investment by way of independent valuation, the remaining assets in that class are reviewed and appropriate adjustments made for any material increment or decrement.

The accounting policies adopted are in all material respects consistent with those applied in the previous year except as otherwise stated.

(b) Principles of Consolidation

The consolidated Financial Statements includes the results, assets and liabilities of the Parent Entity, Westfield America Trust ("WAT"), its controlled entities and partially owned property partnerships as noted below.

WAT and its controlled entities are collectively referred to as the "Group". The Group and its equity accounted property interests are collectively referred to as the "Economic Entity".

The Group has significant co-ownership interests in a number of properties. These interests are held through partial ownership in property partnerships. In accordance with AASB 1006 "Interests in Joint Ventures", the Group has consolidated partially owned property partnerships which it controls and has applied the equity method of accounting to partially owned property partnerships that are joint ventures over which it has significant influence.

Where entities adopt accounting policies which differ from those of the Parent Entity, adjustments have been made so as to ensure consistency with the Parent Entity, and compliance with applicable Australian Accounting Standards and the provisions of the Constitution of the Parent Entity. All intercompany balances and transactions, and unrealised profits arising from intra-Economic Entity transactions, have been eliminated in full.

The names of the controlled entities and the equity accounted property partnerships, and the Economic Entity's beneficial interests therein are set out in Notes 17 and 31.

(c) Foreign Currencies

Translation of foreign currency transactions

Transactions in foreign currencies of entities within the Economic Entity are converted to local currency at the rate of exchange ruling at the date of the transaction or at hedge rates where applicable.

Amounts payable to and by the entities within the Economic Entity that are outstanding at the balance date and are denominated in foreign currencies have been converted to local currency using rates of exchange ruling at the end of the year.

Except for certain specific hedges and hedges of foreign currency operations, all resulting exchange differences arising on settlement or re-statement are brought to account in determining the earnings before withholding tax and outside equity interests for the financial year, and transaction costs, premiums and discounts on forward currency contracts are deferred and amortised over the life of the contract.

Hedges of foreign operations

Exchange gains and losses on instruments which hedge borrowings and investments in foreign operations are taken to the foreign currency translation reserve on consolidation.

Translation of accounts of foreign operations

All overseas operations are deemed self-sustaining as each is financially and operationally independent of WAT. The Financial Reports of overseas operations are translated to Australian dollars using the current rate method, except for hedged assets and liabilities which are translated at the applicable currency hedge contract rates. Any exchange differences are taken directly to the foreign currency translation reserve.

Applicable exchange rates

Where relevant, assets and liabilities of the Economic Entity's United States operations have been translated into Australian Dollars at the year end exchange rate applicable for the year: December 2000 A$1.00 = US$0.5548 (December 1999 A$1.00 = US$0.6535). Revenue and expenses have been translated at an exchange rate of, 2000: A$1.00 = US$0.6054 (1999: A$1.00 = US$0.6476). Operating profit after tax, attributable to Members reflects the US Dollar hedge rates applicable for the period, 2000: A$1.00 = US$0.6369 (1999: A$1.00 = US$0.6510).

NOTE 1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

(d) Revenue

Revenue from rents and other property income (net of bad and doubtful debts) is brought to account on an accruals basis, and if not received at balance date, is reflected in the Balance Sheet as receivables. Percentage rent is brought to account on an accruals basis. Recoveries from tenants are recognised as income in the period the applicable costs are accrued. Profits from the sale of property investments are recognised upon settlement and after contractual duties are completed.

(e) Expenditure

Expenditure including rates, taxes and other outgoings, is brought to account on an accruals basis.

(f) Income Tax

Under current Australian Income Tax legislation, WAT is not liable to income tax including capital gains tax, provided it distributes an amount at least equal to its net accounting income (as defined in the Constitution) for the year.

Westfield America, Inc. ("WEA"), is a Real Estate Investment Trust ("REIT") for United States Income Tax purposes. To maintain its REIT status, WEA is required to distribute at least 95% of its taxable income to shareholders and meet certain asset and income tests as well as certain other requirements. As a REIT, WEA will generally not be liable for federal and state income taxes in the United States, provided it satisfies the necessary requirements and distributes 100% of its taxable income to its shareholders.

Under current Australian Income Tax legislation, Members in WAT are generally entitled to receive a foreign tax credit for US withholding tax deducted from dividends paid to WAT by WEA. Withholding tax expense has been calculated after adjusting for the effect of timing differences which occur when items are assessed or deducted for tax purposes in a different period than for accounting.

(g) Investments

Property Investments

Land and buildings are considered as having the function of an investment and therefore are regarded as a composite asset, the overall value of which is influenced by many factors, the most prominent being income yield, rather than by the diminution of value of the building content due to the effluxion of time.

Accordingly, the buildings and any component thereof (including plant and equipment) are not depreciated.

Property investments are not revalued to an amount above their recoverable amount, and where carrying values exceed this recoverable amount assets are written down. In determining recoverable amount the expected net cash flows have been discounted to their present value using a market determined risk adjusted discount rate.

Equity Accounted Joint Ventures

Investments in equity accounted joint ventures are carried at the lower of the equity accounted amount and recoverable amount.

Other Investments

Investment in participating loan is carried at the lower of cost or expected recoverable amount.

(h) Replacements and Maintenance

The Economic Entity's major source of income is from its investment in shopping centre properties. Whilst no provision for maintenance is made in respect of these properties, in order to maintain these assets to provide the existing economic return, regular revaluations are made which take into account the need for future repairs, replacements and maintenance of a substantial but infrequent nature which are capitalised when incurred.

Expenditures for repairs and maintenance that are not of a substantial or infrequent nature are expensed as incurred. Certain of these costs are chargeable to the tenants as provided in their leases and such reimbursements are included in operating revenue.

(i) Properties Subject to Development

Expenses capitalised to properties subject to development include the cost of acquisition, development, rates, taxes and borrowing costs during development. After development is completed, borrowing costs and other holding charges are expensed as incurred.

(j) Cash Flows

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank, short term money market deposits and bank accepted bills of exchange readily convertible to cash, net of bank overdrafts.

(k) Financial Information Expressed in United States Dollars

In addition to all amounts reported in Australian Dollars ("A$" or "$"), where appropriate, United States Dollar amounts or equivalent amounts ("US$") have also been provided in respect of certain assets, liabilities, revenue and expenditure.

The amounts reported in US$ have been taken directly from the US$ denominated Financial Statements of the relevant controlled or equity accounted entities, or, where a currency other than the US$ is the functional currency, have been translated into US$ at the exchange rate ruling at the date of the transaction and at the hedge rate in respect of specifically hedged items.

(l) Derivatives and Other Financial Instruments

The Economic Entity's activities expose it to changes in interest rates and foreign exchange rates. There are policies and limits approved by the Board of Directors of the Responsible Entity in respect of the usage of derivative and other financial instruments to hedge cashflows subject to interest rate and currency risks. Management reports to the Board on a regular basis as to the monitoring of the policies in place.

NOTE 1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

(l) Derivatives and Other Financial Instruments (continued)

The accounting policies adopted in relation to material financial instruments are detailed as follows:

Recognised Financial Instruments

(i) Financial Assets

Investment in Participating Loan

The investment is carried at the lower of cost or recoverable amount. Interest income is recognised on an accruals basis. Terms and conditions are set out in Note 4.

(ii) Financial Liabilities

Bank Loans, Capital Notes, Notes Payable and Convertible Redeemable Preference Shares

Bank loans, capital notes, notes payable and convertible redeemable preference shares are carried at their face value or at their fair value at the time of acquisition in the case of assumed liabilities. Interest is charged as an expense on an accruals basis. Terms and conditions are set out in Notes 8, 9, 11, 12 and 13.

Given their economic characteristics, Westfield America Management Limited considers the convertible redeemable preference shares to be equity. However, they have been treated as debt in accordance with Australian Accounting Standard AASB 1033 – "Presentation and Disclosure of Financial Instruments" and other mandatory professional reporting requirements.

Unrecognised Derivative Financial Instruments

Interest Rate Swaps

The Economic Entity enters into interest rate swap agreements with the objective of hedging the risk of interest rate fluctuations in respect of underlying borrowings. Net receipts and payments in relation to interest rate swaps are recognised in the profit and loss account on an accruals basis over the life of the hedges. Details are set out in Note 27.

Cross-Currency Swaps and Forward Exchange Contracts

The Economic Entity enters into cross-currency swaps and forward exchange contracts where it agrees to buy or sell specified amounts of foreign currencies at predetermined exchange rates. The objective is to minimise the risk of exchange rate fluctuation in respect of a portion of its foreign currency denominated liabilities and future earnings. The values of the cross-currency swaps and forward exchange contracts are brought to account in conjunction with the liabilities and income to which the hedges relate. Details are set out in Note 27.

The Economic Entity does not trade in derivative financial instruments for speculative purposes. In conjunction with its advisers, the Economic Entity continually reviews its exposures, and upgrades its treasury policies and procedures. Revenues or expenses arising from changes in the net market values of hedging instruments are matched and brought to account with the carrying values and income streams of the underlying assets or liabilities.

Disclosure of Market Values

The applicable market rates and prices in respect of derivative and other financial instruments are set out in the notes to these Financial Statements.

(m) Borrowing Costs

Borrowing costs are recognised as expenses in the period in which they are incurred, except as stated in Note 1(i). Borrowing costs include:

(i) interest on bank overdrafts and short-term and long-term borrowings;

(ii) interest on derivative financial instruments which hedge underlying borrowings;

(iii) amortisation of discounts or premiums relating to borrowings; and

(iv) amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

(n) Rounding

Pursuant to ASIC Class Order 98/0100, the amounts shown in the Financial Report have, unless otherwise indicated, been rounded to the nearest tenth of a million dollars. Amounts shown as 0.0 represent amounts less than $50,000 that have been rounded down.

(o) Comparative Figures

Except as noted, certain comparative figures have been restated in order to comply with the current year's presentation of the Financial Report.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 2 RECEIVABLES				
Trade debtors	27.0	28.1	48.5	43.2
Less: Provision for doubtful debts (refer below)	(1.4)	(0.2)	(2.5)	(0.4)
	25.6	27.9	46.0	42.8
Movement in provision for doubtful debts				
Balance at beginning of the year	(0.2)	(1.2)	(0.4)	(1.8)
Bad debts previously provided for written-off during the year	1.6	2.1	3.0	3.2
Bad and doubtful debts expensed/provided for during the year	(2.8)	(1.1)	(5.1)	(1.8)
Balance at end of the year	(1.4)	(0.2)	(2.5)	(0.4)
NOTE 3 OTHER CURRENT ASSETS				
Prepayments, deferred costs and other debtors	19.6	11.6	34.8	17.8
	19.6	11.6	34.8	17.8
NOTE 4 INVESTMENTS				
Shopping centre, department stores and other property investments, based on independent valuations and acquisition costs, as appropriate (refer Notes 5(a) and 5(b))	4,232.9	3,845.5	7,629.6	5,884.2
Shopping centre construction in progress, at cost	108.8	64.5	196.1	98.8
Investment in equity accounted joint ventures (refer Note 17(d))	416.0	252.2	749.8	385.9
Investment in participating loan at cost*	–	145.0	–	222.0
	4,757.7	4,307.2	8,575.5	6,590.9

* In May 1997, WEA made a non-recourse participating loan of US$145 million ("GSP Loan") to Westfield Holdings Limited ("WHL") entities. The GSP Loan had a ten year term, and was secured by first ranking mortgage over WHL's 50% indirect interest in the Garden State Plaza shopping centre ("GSP Interest"). The GSP Loan carried interest at a fixed rate of 8.5% p.a. together with a further participating interest of up to 2.5% p.a., based on the yield of the shopping centre. The Economic Entity also held an option to acquire, at market value, all the outstanding stock of Westland Realty, Inc. ("WRI") which is the beneficial owner of the GSP Interest. The GSP Interest was acquired by the Economic Entity, and the GSP Loan was assumed, on 1 June 2000. (Refer Note 29).

NOTE 5(a) DETAILS OF INVESTMENTS

(expressed in US$)

Freehold Property	Consolidated or Equity Accounted Interest %	Ownership Interest %	Original Purchase Date	Total Original Acquisition Cost US$ million	Capital Expenditure Since Acquisition US$ million	Independent Valuation US$ million	Capital Expenditure Since Valuation US$ million	Book Value 31 Dec 2000 US$ million
CONSOLIDATED PROPERTIES								
Annapolis	100.0	100.0	01/07/96 & 03/06/97	187.3	26.7	203.7 (i)	21.1	224.8
Capital Mall	100.0	100.0	07/10/98 & 09/12/98	54.5	4.7	n/a	–	59.2
Connecticut Post	100.0	100.0	01/07/96	139.2	39.5	148.6 (ii)	31.3	179.9
Crestwood	100.0	100.0	15/01/98	106.4	8.9	127.7 (iv)	0.7	128.4
Downtown Plaza	100.0	100.0	02/11/98	150.1	2.2	n/a	–	152.3
Eagle Rock	100.0	100.0	01/07/96	24.7	1.9	29.3 (i)	0.8	30.1
Eastland	100.0	100.0	01/07/96	23.2	35.3	67.0 (ii)	0.9	67.9
Enfield	100.0	100.0	01/07/96	43.5	14.3	62.8 (iv)	0.6	63.4
Fox Hills	100.0	100.0	07/10/98	80.4	4.1	n/a	–	84.5
Horton	100.0	100.0	02/11/98	209.9	2.6	n/a	–	212.5
Independence Mall	100.0	85.0	13/08/98; 30/10/98 & 01/01/99	61.8	2.6	68.0 (v)	0.2	68.2
Meriden	100.0	100.0	01/07/96 & 15/09/97	105.4	42.9	132.4 (ii)	26.9	159.3
Mid Rivers	100.0	100.0	01/07/96	74.5	16.7	124.0 (iv)	0.7	124.7
Mission Valley & Mission Valley – West	100.0	75.8	01/07/96	125.5	43.3	165.6 (iii)	9.0	174.6
Montgomery Mall	100.0	100.0	01/07/96	230.6	2.4	262.8 (iv)	1.3	264.1
North County	100.0	100.0	01/07/96 & 02/11/98	153.6	2.1	148.8 (ii)	0.5	149.3
Northwest	100.0	100.0	16/12/97	111.1	6.2	135.7 (iv)	0.8	136.5
Oakridge	100.0	100.0	07/10/98	79.4	3.1	n/a	–	82.5
Palm Desert	100.0	100.0	18/08/99	82.2	0.3	n/a	–	82.5
Parkway Plaza	100.0	100.0	28/09/98	165.1	3.0	n/a	–	168.1
Plaza Bonita	100.0	100.0	01/07/96	122.2	2.1	133.0 (iv)	0.9	133.9
Promenade	100.0	100.0	27/06/98	33.5	1.3	n/a	–	34.8
Santa Anita	100.0	89.7	28/09/98 & 23/12/98	131.5	17.1	n/a	–	148.6
Solano	100.0	100.0	28/09/98	91.2	7.8	n/a	–	99.0
South County	100.0	100.0	01/07/96	69.6	3.1	75.7 (iv)	0.7	76.4
South Shore	100.0	100.0	01/07/96	142.8	43.7	177.4 (ii)	3.0	180.4
Topanga	100.0	100.0	01/07/96 & 17/11/98	154.5	4.4	159.1 (ii)	3.3	162.4
Trumbull	100.0	100.0	01/07/96	181.8	13.0	208.4 (ii)	6.1	214.5
Vancouver	100.0	99.5	01/07/96 & 06/10/00	80.6	3.8	45.6 (iv)	41.2	86.8
West County	100.0	100.0	01/07/96	44.3	–	48.1 (ii)	–	48.1
West Covina	100.0	100.0	01/07/96	135.7	7.2	148.4 (i)	2.3	150.7
West Park Mall	100.0	100.0	01/07/96	49.1	3.3	52.0 (iv)	0.5	52.5
Westland	100.0	100.0	01/07/96	25.1	0.2	26.3 (ii)	–	26.3
Wheaton	100.0	100.0	30/05/97 & 01/01/99	91.6	3.5	121.1 (iv)	1.2	122.3
Shopping centre investments				3,561.9	373.3		154.0	4,149.5
Department stores	100.0	100.0	01/07/96	83.0	–	83.4 (iv)	–	83.4
Shopping centre, department stores and other property investments				3,644.9	373.3		154.0	4,232.9
EQUITY ACCOUNTED PROPERTIES								
Garden State Plaza	50.0	50.0	01/06/00	331.9	2.4	n/a	–	334.3
Plaza Camino Real	40.0	40.0	01/07/96	43.0	1.8	57.2 (iv)	0.4	57.6
UTC	50.0	50.0	31/07/98	93.7	1.2	n/a	–	94.9
Valley Fair	50.0	50.0	31/07/98	149.3	3.5	n/a	–	152.8
West Valley	42.5	42.5	01/07/96	2.9	0.2	11.7 (ii)	0.2	11.9
Equity accounted property investments (refer Note 17(c))				620.8	9.1		0.6	651.5
Total consolidated controlled and equity accounted property investments				4,265.7	382.4		154.6	4,884.4

NOTE 5(b) DETAILS OF INVESTMENTS

(expressed in A$ – Translated at the year end exchange rate of A$1.00 = US$0.5548)

Freehold Property	Consolidated or Equity Accounted Interest %	Ownership Interest %	Original Purchase Date	Total Original Acquisition Cost A$ million	Capital Expenditure Since Acquisition A$ million	Independent Valuation A$ million	Capital Expenditure Since Valuation A$ million	Book Value 31 Dec 2000 A$ million
CONSOLIDATED PROPERTIES								
Annapolis	100.0	100.0	01/07/96 & 03/06/97	337.5	48.1	367.2 (i)	38.0	405.2
Capital Mall	100.0	100.0	07/10/98 & 09/12/98	98.2	8.5	n/a	–	106.7
Connecticut Post	100.0	100.0	01/07/96	250.9	71.2	267.8 (ii)	56.5	324.3
Crestwood	100.0	100.0	15/01/98	191.8	16.0	230.2 (iv)	1.3	231.5
Downtown Plaza	100.0	100.0	02/11/98	270.5	3.9	n/a	–	274.4
Eagle Rock	100.0	100.0	01/07/96	44.6	3.4	52.8 (i)	1.4	54.2
Eastland	100.0	100.0	01/07/96	41.8	63.6	120.8 (ii)	1.6	122.4
Enfield	100.0	100.0	01/07/96	78.4	25.8	113.2 (iv)	1.1	114.3
Fox Hills	100.0	100.0	07/10/98	145.0	7.3	n/a	–	152.3
Horton	100.0	100.0	02/11/98	378.3	4.6	n/a	–	382.9
Independence Mall	100.0	85.0	13/08/98; 30/10/98 & 01/01/99	111.3	4.7	122.6 (v)	0.2	122.8
Meriden	100.0	100.0	01/07/96 & 15/09/97	190.0	77.3	238.6 (ii)	48.6	287.2
Mid Rivers	100.0	100.0	01/07/96	134.2	30.1	223.5 (iv)	1.3	224.8
Mission Valley & Mission Valley – West	100.0	75.8	01/07/96	226.3	78.0	298.5 (iii)	16.2	314.7
Montgomery Mall	100.0	100.0	01/07/96	415.5	4.3	473.7 (iv)	2.3	476.0
North County	100.0	100.0	01/07/96 & 02/11/98	276.9	3.8	268.2 (ii)	0.9	269.1
Northwest	100.0	100.0	16/12/97	200.2	11.2	244.6 (iv)	1.4	246.0
Oakridge	100.0	100.0	07/10/98	143.2	5.6	n/a	–	148.8
Palm Desert	100.0	100.0	18/08/99	148.2	0.5	n/a	–	148.7
Parkway Plaza	100.0	100.0	28/09/98	297.7	5.4	n/a	–	303.1
Plaza Bonita	100.0	100.0	01/07/96	220.3	3.8	239.7 (iv)	1.7	241.4
Promenade	100.0	100.0	27/06/98	60.4	2.3	n/a	–	62.7
Santa Anita	100.0	89.7	28/09/98 & 23/12/98	237.0	30.8	n/a	–	267.8
Solano	100.0	100.0	28/09/98	164.3	14.1	n/a	–	178.4
South County	100.0	100.0	01/07/96	125.5	5.6	136.4 (iv)	1.3	137.7
South Shore	100.0	100.0	01/07/96	257.3	78.8	319.8 (ii)	5.4	325.2
Topanga	100.0	100.0	01/07/96 & 17/11/98	278.6	7.9	286.8 (ii)	5.9	292.7
Trumbull	100.0	100.0	01/07/96	327.6	23.4	375.6 (ii)	11.1	386.7
Vancouver	100.0	99.5	01/07/96 & 06/10/00	145.4	6.8	82.2 (iv)	74.3	156.5
West County	100.0	100.0	01/07/96	79.9	–	86.7 (ii)	–	86.7
West Covina	100.0	100.0	01/07/96	244.6	13.0	267.5 (i)	4.2	271.7
West Park Mall	100.0	100.0	01/07/96	88.6	5.9	93.7 (iv)	0.9	94.6
Westland	100.0	100.0	01/07/96	45.3	0.4	47.4 (ii)	–	47.4
Wheaton	100.0	100.0	30/05/97 & 01/01/99	165.0	6.2	218.3 (iv)	2.1	220.4
Shopping centre investments				6,420.3	672.3		277.7	7,479.3
Department stores	100.0	100.0	01/07/96	149.6	–	150.3 (iv)	–	150.3
Shopping centre, department stores and other property investments				6,569.9	672.3		277.7	7,629.6
EQUITY ACCOUNTED PROPERTIES								
Garden State Plaza	50.0	50.0	01/06/00	598.2	4.3	n/a	–	602.5
Plaza Camino Real	40.0	40.0	01/07/96	77.5	3.2	103.1 (iv)	0.7	103.8
UTC	50.0	50.0	31/07/98	168.9	2.2	n/a	–	171.1
Valley Fair	50.0	50.0	31/07/98	269.1	6.3	n/a	–	275.4
West Valley	42.5	42.5	01/07/96	5.3	0.4	21.1 (ii)	0.4	21.5
Equity accounted property investments (refer Note 17(c))				1,119.0	16.4		1.1	1,174.3
Total consolidated controlled and equity accounted property investments				7,688.9	688.7		278.8	8,803.9

NOTE 5(c) DETAILS OF INVESTMENTS

The Economic Entity revalues each of its individual property investments based on independent appraisals as part of a three year progressive revaluation programme. Property investments are carried at their original acquisition cost together with capital expenditure since acquisition or at their latest revalued amount based on independent appraisals together with the cost of acquisition and capital expenditure since the previous revaluation. Details of the latest independent appraisals are as follows:

(i) The independent valuations were carried out by Landauer Associates, Inc. (Registered Valuers) as at 31 December 1998.

(ii) The independent valuations were carried out by Landauer Associates, Inc. (Registered Valuers) as at 30 June 1999.

(iii) Based on the independent valuation carried out by Landauer Associates, Inc. (Registered Valuers) as at 31 December 1998.

(iv) The independent valuations were carried out by Landauer Associates, Inc. (Registered Valuers) as at 31 May 2000.

(v) The independent valuation was carried out by Cushman & Wakefield, Inc. (Registered Valuers) as at 16 March 2000.

The valuations referred to in (i), (ii), (iii), (iv) and (v) were performed predominantly using the discounted cash flow valuation method, with use of the comparable sale and replacement method where appropriate according to the nature of the property.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 6 OTHER NON-CURRENT ASSETS				
Other debtors and deferred costs	64.2	59.7	115.8	91.5
	64.2	59.7	115.8	91.5
NOTE 7 ACCOUNTS PAYABLE – CURRENT				
Trade creditors	26.2	14.4	47.4	22.0
Other creditors and accruals	44.5	49.0	80.3	75.2
United States withholding tax payable	0.3	2.5	0.5	3.8
Distribution payable to Members	47.7	39.5	75.3	60.8
Dividend and distribution payable to Outside Equity Interests	13.0	14.5	23.5	22.2
	131.7	119.9	227.0	184.0
NOTE 8 BORROWINGS – CURRENT				
Bank bills payable – unsecured (refer Note 11(a))	26.3	12.4	47.5	19.0
Notes payable – secured (refer Note 11(a))	920.1	143.4	1,658.3	219.4
	946.4	155.8	1,705.8	238.4
NOTE 9 CAPITAL NOTES – CURRENT				
Capital Notes – unsecured, subordinated	86.0	–	155.0	–
Net payable on currency hedge contracts in respect of Capital Notes	14.4	–	25.9	–
	100.4	–	180.9	–

Details are set out in Note 12.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 10 ACCOUNTS PAYABLE – NON-CURRENT				
Other creditors and accruals	64.2	67.6	115.7	103.5
	64.2	67.6	115.7	103.5
NOTE 11 BORROWINGS – NON-CURRENT				
Bank loans – secured (refer (a) below)	233.0	150.8	420.0	230.7
Notes payable – secured (refer (a) below)	1,187.2	1,796.8	2,139.8	2,749.6
	1,420.2	1,947.6	2,559.8	2,980.3

(a) Current unsecured bank bills payable and non-current secured bank loans represent amounts owing to banks at floating rates under facilities maturing in December 2001 and June 2002, respectively. Current and non-current secured notes payable represent amounts owing to banks and insurance companies. These notes are secured by mortgages against the shopping centres, department stores and leases thereon, and other property investments, and are for terms expiring on various dates as set out in (c) below.

(b) Details of secured current and non-current notes payable and bank loans in relation to each property are set out below:

Independence Mall	55.2	–	99.4	–
Meriden	98.5	96.3	177.5	147.4
Mission Valley & Mission Valley West	75.0	75.0	135.2	114.8
Montgomery Mall	157.4	158.8	283.7	243.0
North County	71.0	72.4	128.0	110.8
Santa Anita	59.4	61.5	107.1	94.1
Solano	40.0	41.1	72.1	62.9
South County	48.4	–	87.1	–
Topanga	100.6	103.2	181.4	158.0
Trumbull	–	131.7	–	201.5
Vancouver Mall	57.0	–	102.7	–
Department stores	66.2	69.2	119.3	105.8
Pools of wholly owned centres*	1,511.6	1,281.8	2,724.6	1,961.4
Total secured notes payable and bank loans (current and non-current)	2,340.3	2,091.0	4,218.1	3,199.7

* Pools of wholly owned centres – Fox Hills, Horton, Parkway Plaza, Capital Mall, Mid Rivers, Plaza Bonita, West Covina, West Park Mall, Oakridge, Northwest, Crestwood, Enfield, Annapolis, Eagle Rock, Downtown Plaza, Eastland, South Shore, Connecticut Post, Palm Desert, Promenade, Trumbull, Westland, and Wheaton.

(c) The maturity profiles in respect of notes payable are set out below:

Due within one year #	920.1	143.4	1,658.3	219.4
Due between one and five years	676.5	1,283.9	1,219.4	1,964.7
Due after five years	743.7	663.7	1,340.4	1,015.6
	2,340.3	2,091.0	4,218.1	3,199.7

Represents two loans maturing in December 2001, which are due to be refinanced during the course of the year ending 31 December 2001.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 12 CAPITAL NOTES – NON-CURRENT				
Capital Notes – unsecured, subordinated (refer below)	172.0	303.9	310.0	465.0
Net payable/(receivable) on currency hedge contracts in respect of Capital Notes	28.7	(2.8)	51.8	(4.3)
	200.7	301.1	361.8	460.7

Pursuant to the Prospectus dated 15 May 1998, 155 million unsecured subordinated Capital Notes were issued by WEA during the period for a cash consideration of $3.00 each. They have a face value of $3.00 each and carry a fixed coupon rate of 8.01% payable semi-annually on 30 June and 31 December each year. The principal sum of Capital Notes will be repaid in three equal instalments on 29 June 2001, 28 June 2002 and 30 June 2003.

On each of those dates, concurrent with the repayment of the Capital Notes by WEA, WAT will receive the three instalments of $155 million each upon settlement of its fully underwritten Partly Paid Units (refer Note 14).

NOTE 13 CONVERTIBLE REDEEMABLE PREFERENCE SHARES				
Convertible Redeemable Preference Shares	175.0	175.0	315.4	267.8

In August and December 1998, WEA issued US$175.0 million Cumulative Convertible Redeemable Preference Shares comprising US$50.0 million Series D, US$75.0 million Series C and US$50.0 million Series C-1 Cumulative Convertible Redeemable Preference Shares. In addition, US$186.0 million Cumulative Convertible Redeemable Preference shares issued by WEA to WAT have been eliminated on preparation of these consolidated Financial Statements.

Given their economic characteristics, the Responsible Entity considers these Preference Shares to be equity. However, they have been treated as debt in accordance with Australian Accounting Standard AASB 1033 – "Presentation and Disclosure of Financial Instruments" and other mandatory professional reporting requirements.

The Preference Shares were issued at a price of US$180.00 each and are not quoted on any stock exchange. Each Preference Share will convert into WEA Common Stock at any time at the option of the holder. Initially, each Preference Share will convert into ten shares of WEA Common Stock (at an effective conversion price of US$18.00 per Common Stock). This conversion ratio is subject to customary anti-dilution adjustments. Dividends on each Preference Share will be equal to the greater of 8.5% per annum or the dividend payable on the number of shares of WEA Common Stock into which the Preference Share is then convertible. If WEA ceases to qualify to be taxed as a Real Estate Investment Trust ("REIT"), such dividends will be increased by a factor of 2.5.

The Preference Shares are redeemable at the option of WEA at 100% of face value at any time after 12 August 2008. In the usual course, at any time following 12 August 2008, if the market price of WEA Common Stock is at or below the conversion price (being US$18.00), each Preference Share will be redeemable at the option of the holder at 100% of face value (including all accrued but unpaid dividends) for cash or WEA Common Stock at the option of WEA. In certain very unusual circumstances, they are also redeemable at the option of the holder: (A) in circumstances where WEA ceases to be a REIT, at 115% of face value (including all accrued but unpaid dividends); and (B) in circumstances causing a change in control of WEA, at 105% of face value (including all accrued but unpaid dividends).

If WEA is wound up, each Preference Share will carry a right to participate in the capital of WEA in the amount of US$180.00, ranking ahead of the rights of the holders of WEA Common Stock but behind all creditors and holders of other equity securities in WEA (unless the terms of those equity securities provide otherwise). The Preference Shares carry no right to vote unless the vote relates to the rights of the Preference Shares.

NOTE 14 ISSUED CAPITAL

	Number of Units	US$ million 31 Dec 2000	US$ million 31 Dec 1999	A$ million 31 Dec 2000	A$ million 31 Dec 1999
Ordinary Units on Issue					
Ordinary Units of $1.00 each Fully Paid					
Balance at beginning of the year	1,021,495,138	836.9	727.2	1,104.7	936.8
Placement – net of costs					
allotment date – 15 July 1999	–	–	84.5	–	128.4
allotment date – 31 August 2000	99,400,000	85.3	–	148.5	–
DRP Units – net of costs					
allotment date – 31 August 1999	–	–	25.2	–	39.5
allotment date – 28 February 2000	29,859,181	25.6	–	41.5	–
allotment date – 31 August 2000	30,957,164	27.6	–	48.0	–
Balance at end of the year	1,181,711,483	975.4	836.9	1,342.7	1,104.7

On 28 February 2000, 29,859,181 Distribution Reinvestment Plan ("DRP") Ordinary Units were issued at $1.39 per unit fully paid and on 31 August 2000, 30,957,164 DRP Ordinary Units were issued at $1.55 per unit fully paid pursuant to the Trust's DRP. DRP Units issued during the year rank for distribution from the date of allotment. On 31 August 2000, a placement of 99,400,000 Ordinary Units was made at $1.52 per Unit fully paid. These Units rank for distribution from the date of allotment.

Partly Paid Units on Issue

Partly Paid Units of $50.20 each					
Partly Paid to $0.20 each					
Balance at beginning and end of the year	9,300,000	1.2	1.2	1.8	1.8

Options on Issue

	Number of Options	
Special Options – Series F	52,500	convertible to 55,072,500 WAT fully paid $1.00 Units

Partly Paid Units – $466.86 million

Subject to payment of the final instalment of $50.00 for each of the series, the Series A, Series B and Series C Partly Paid Units will convert into Ordinary Units in WAT on 29 June 2001, 28 June 2002 and 30 June 2003 respectively at a 5% discount to the market price for Ordinary Units at that time. The funds raised on conversion, totalling $466.86 million, have been underwritten by Warburg Dillon Read Australia Limited and will be used by WAT, pursuant to an agreement dated 29 May 1998, to subscribe for additional Common Shares in WEA at a 5% discount to the market price for Common Shares at the time.

At any time up to two days prior to the due date for the final instalment on a series of Partly Paid Units, Westfield America Management Limited, the Responsible Entity, has the right to redeem that series by the payment of $2.64 per Partly Paid Unit or by the issue of Ordinary Units to the value of $2.64.

The Partly Paid Units have no distribution entitlement to the income of WAT. The Ordinary Units into which they convert following payment of the final instalment will rank for distribution from 1 July following each respective conversion date.

Prior to the payment of the final instalment, the Partly Paid Units have no voting entitlement at meetings of Members in WAT except where the Corporations Law or the Listing Rules requires that Partly Paid Units carry an entitlement to vote, in which case there is a voting entitlement based on the proportion of the paid up amount on each unit to 95% of the then market value of Ordinary Units in WAT.

The Partly Paid Units are quoted as stapled securities, with each stapled security consisting of one Series A, one Series B and one Series C Partly Paid Unit. At 31 December 2000, there were 9,300,000 Partly Paid Units representing 3,100,000 stapled securities on issue which would have been convertible to 297,837,321 WAT $1.00 Units as at 31 December 2000.

NOTE 14 ISSUED CAPITAL (continued)

Special Options

During the year, in connection with the acquisition by WAT of 940,000 unlisted Preference Shares in WEA, 940,000 Series A Special Options to acquire 117,426,609 WAT Units, were cancelled for a cash consideration of A$9.7 million.

During the year, in connection with the acquisition by WAT of 270,000 unlisted Preference Shares in WEA, 270,000 Series B Special Options to acquire 36,000,000 WAT Units, were cancelled for a cash consideration of A$4.6 million.

During the year 52,500 Series F Special Options were issued to Westfield Capital Corporation Finance Pty Limited for a cash consideration of US$4.7 million. Each Series F Special Option entitles the holder the right to subscribe for 1,049 fully paid $1.00 Ordinary Units in WAT in exchange for either US$1,000.00 ($1,802.45) or 1 Series F Preferred Share in WEA. The Series F Special Options are exercisable during the period commencing on 1 June 2007 and ending on 1 June 2020. At 31 December 2000, there were 52,500 Series F Special Options on issue which are convertible to 55,072,500 Ordinary Units in WAT.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 15 RESERVES				
Asset Revaluation Reserve	104.5	49.9	165.7	74.7
Asset Reallocation Reserve	1.5	(26.4)	2.6	(33.7)
Option Premium Reserve	4.7	–	8.1	–
Foreign Currency Translation Reserve	–	–	447.0	170.0
	110.7	23.5	623.4	211.0
Movements in Reserves				
Asset Revaluation Reserve				
Balance at beginning of the year	49.9	39.3	74.7	58.6
Increment on revaluation of property investments	54.6	10.6	91.0	16.1
Balance at end of the year	104.5	49.9	165.7	74.7
Asset Reallocation Reserve				
Balance at beginning of the year	(26.4)	(28.1)	(33.7)	(36.3)
Reallocation of attributable net assets upon the acquisition by WAT of shares in controlled entity previously owned by Outside Equity Interests	27.9	1.7	36.3	2.6
Balance at end of the year	1.5	(26.4)	2.6	(33.7)
Option Premium Reserve				
Balance at beginning of the year	–	–	–	–
Premium on issue of 52,500 Series F Special Options	4.7	–	8.1	–
Balance at end of the year	4.7	–	8.1	–
Foreign Currency Translation Reserve				
Balance at beginning of the year	–	–	170.0	261.8
Exchange differences arising on translation of the Financial Statements of overseas operations	–	–	277.0	(91.8)
Balance at end of the year	–	–	447.0	170.0

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 16 OUTSIDE EQUITY INTERESTS				
Analysis of Outside Equity Interests				
Interests in Westfield America, Inc.				
Share Capital (i)				
30,552,853 Common Shares (Dec 1999: 31,789,631)	433.9	457.2	542.1	581.1
– Series A Preference Shares (Dec 1999: 940,000) (ii)	–	94.0	–	117.4
– Series B Preference Shares (Dec 1999: 270,000) (ii)	–	26.0	–	33.6
3,075,420 Partnership Units (Dec 1999: 3,073,378) (iii)	54.7	54.7	88.7	88.7
52,483 Series F Partnership Preferred Units (Dec 1999: Nil) (iv)	52.4	–	91.6	–
Asset Revaluation Reserve	106.1	50.0	168.4	74.9
Asset Reallocation Reserve	(1.5)	26.4	(2.6)	33.7
Option Premium Reserve	0.0	–	0.0	–
Foreign Currency Translation Reserve	–	–	295.4	154.1
Retained Earnings	74.6	58.2	114.6	89.4
	720.2	766.5	1,298.2	1,172.9
Interest in Joint Venture Properties	31.8	24.3	57.3	37.2
	752.0	790.8	1,355.5	1,210.1

(i) Excluded from Outside Equity Interests are the Convertible Redeemable Preference Shares. Refer Note 13.

(ii) The Series A Preference Shares were purchased by WAT during the year for a total cash consideration of A$159.3 million.

The Series B Preference Shares were purchased by WAT during the year for a total cash consideration of A$45.8 million.

(iii) Under certain circumstances, investors in the Operating Partnership may exchange their 3,075,420 Partnership Units for cash or, at the discretion of WEA, an equivalent number of Common Shares in WEA.

(iv) The Series F Partnership Preferred Units were issued on commercial terms that are similar to WEA's Common Shares. The holders of the 52,483 Series F Partnership Preferred Units are entitled to an annual dividend per unit equivalent to the greater of US$85.00 ($140.40) or the annual dividend paid in respect of 51.49 Common Shares. The holder of each Partnership Preferred Unit is entitled to be paid US$1,000 ($1,802.45) upon liquidation. The Series F Partnership Preferred Units may be redeemed at the option of WEA at any time after 1 June 2020, upon payment of US$1,000 ($1,802.45) per Partnership Preferred Unit together with any accrued dividend.

After 1 June 2001, the holder will have the right to require WEA to redeem the Series F Partnership Preferred Units for cash. In this situation, however, WEA will have the right to issue an equivalent number of shares of Series F Cumulative Preferred Stock ("Series F Preferred Shares") instead of paying cash.

The Series F Preferred Shares will not carry any right to convert into Common Stock of WEA. The holders of Series F Preferred Shares are entitled to an annual dividend per share equivalent to the greater of US$85.00 ($140.40) or the annual dividend paid in respect of 51.49 Common Shares. The holder of each Series F Preferred Share is entitled to be paid US$1,000 ($1,802.45) upon liquidation. The Series F Preferred Share may be redeemed at the option of WEA at any time after 20 June 2020, upon payment of US$1,000 ($1,802.45) per Series F Preferred Share together with any accrued dividend.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 16 OUTSIDE EQUITY INTERESTS (continued)				
Movements in Outside Equity Interests				
Balance at beginning of the year	790.8	726.8	1,210.1	1,199.7
Issue of Share Capital	52.5	22.5	91.8	35.9
Transfer upon the acquisition by WAT of shares in controlled entity previously owned by Outside Equity Interests	(143.4)	(6.1)	(248.0)	(9.4)
Premium on Issue of Put Option	0.0	–	0.0	–
Reallocation of attributable net assets upon the acquisition by WAT of shares in controlled entity previously owned by Outside Equity Interests	(27.9)	(1.7)	(36.3)	(2.6)
Adjustment to Outside Equity Interests on consolidation of previously proportionately consolidated joint venture interests	6.8	24.3	12.4	37.2
Increment on revaluation of property investments	56.8	11.1	94.6	16.8
Exchange differences arising on translation of the Financial Statements of overseas operations	–	–	205.7	(88.7)
Earnings After Withholding Tax Attributable to Outside Equity Interests	77.2	76.4	132.9	118.4
Dividends Paid and Payable to Outside Equity Interests	(60.8)	(62.5)	(107.7)	(97.2)
Balance at end of the year	752.0	790.8	1,355.5	1,210.1

NOTE 17 DETAILS OF EQUITY ACCOUNTED JOINT VENTURES

(a) Equity accounted property partnerships, trusts and companies:

Name*	Type of equity	Ownership interest	Balance date	Carrying Value US$ Million	Carrying Value A$ Million
Garden State Plaza	partnership units	50.0%	31-Dec-00	202.1	364.3
Plaza Camino Real	partnership units	40.0%	31-Dec-00	45.4	81.8
UTC	partnership units	50.0%	31-Dec-00	56.8	102.4
Valley Fair	partnership units	50.0%	31-Dec-00	98.2	177.0
West Valley	partnership units	42.5%	31-Dec-00	13.5	24.3
				416.0	749.8

*All equity accounted property partnerships, trusts and companies operate solely as retail property investors in the United States.

NOTE 17 DETAILS OF EQUITY ACCOUNTED JOINT VENTURES (continued)

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
(b) Details of the Group's aggregate share of joint ventures' net profit:				
Shopping centre rental and other income	60.3	39.1	99.6	60.5
Interest income	0.3	0.2	0.5	0.3
	60.6	39.3	100.1	60.8
Rates, taxes and other property outgoings	15.6	10.9	25.8	17.0
Interest and other borrowing costs	17.0	10.0	28.2	15.4
Other expenses	0.4	0.1	0.6	0.1
	33.0	21.0	54.6	32.5
Profit before tax	27.6	18.3	45.5	28.3
Taxation	–	–	–	–
Net profit	27.6	18.3	45.5	28.3
(c) Details of the Group's aggregate share of joint ventures' assets and liabilities:				
Cash	5.2	4.3	9.4	6.6
Receivables	2.9	3.2	5.2	4.9
Property investments (refer Note 5(a) and 5(b))	651.5	404.2	1,174.3	618.7
Construction in progress	41.3	27.3	74.4	41.8
Other assets	6.8	0.6	12.4	0.7
	707.7	439.6	1,275.7	672.7
Payables	1.0	1.0	1.8	1.5
Borrowings	285.4	183.8	514.5	281.3
Other liabilities	5.3	2.6	9.6	4.0
	291.7	187.4	525.9	286.8
Net assets	416.0	252.2	749.8	385.9
(d) Details of the Group's carrying value of investments in joint ventures:				
Balance at beginning of the year	252.2	–	385.9	–
Amount on initial application of AASB 1006 "Interests in Joint Ventures"	–	194.3	–	317.3
Net assets of joint ventures no longer equity accounted	(52.1)	–	(79.7)	–
Share of foreign currency translation reserve	–	–	72.4	(20.8)
Additions/disposals during the year	205.7	49.1	354.2	76.1
Share of net profit for the year	27.6	18.3	45.5	28.3
Distributions received during the year	(27.6)	(18.3)	(45.5)	(28.3)
Share of revaluation increment for the year	10.2	8.8	17.0	13.3
Carrying value of investments in joint ventures	416.0	252.2	749.8	385.9

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 17 DETAILS OF EQUITY ACCOUNTED JOINT VENTURES (continued)				
(e) Details of the Group's aggregate share of joint ventures' reserves:				
Retained Earnings				
Balance at beginning of the year	–	–	–	–
Share of net profit for the year	27.6	18.3	45.5	28.3
Distributions paid during the year	(27.6)	(18.3)	(45.5)	(28.3)
Balance at end of the year	–	–	–	–
Asset Revaluation Reserve				
Balance at beginning of the year	13.3	–	20.1	–
Amount on initial application of AASB 1006 "Interests in Joint Ventures"	–	4.5	–	6.8
Increment on revaluation of property investments	10.2	8.8	17.0	13.3
Balance at end of the year	23.5	13.3	37.1	20.1
Foreign Currency Translation Reserve				
Balance at beginning of the year	–	–	48.7	–
Amount on initial application of AASB 1006 "Interests in Joint Ventures"	–	–	–	69.5
Net assets of joint ventures no longer equity accounted –	–	(4.1)	–	
Exchange differences arising on translation of the Financial Statements of overseas joint ventures	–	–	72.4	(20.8)
Balance at end of the year	–	–	117.0	48.7

(f) The Group's share of contingent liabilities and capital expenditure commitments, in respect of equity accounted joint ventures are, where applicable, included in Notes 23 and 25 respectively.

NOTE 18 RATES, TAXES AND OTHER PROPERTY OUTGOINGS				
Rates, Taxes and Other Property Outgoings of the Economic Entity include the following charges/(credits):				
Property Maintenance and Repairs expenses	25.4	25.9	41.9	40.0
Amortisation of deferred costs	9.7	8.0	16.0	12.3
Real Estate Management Fees paid and payable to the Manager or its Associates	21.8	21.0	36.1	32.4
Expense Reimbursement to the Manager or its Associates	25.4	23.0	41.9	35.5
Included in the above amounts are Real Estate Management Fees and Reimbursible Expenses payable	1.8	1.5	3.2	2.3

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 19 INTEREST AND OTHER BORROWING COSTS				
Interest costs	202.1	197.1	336.5	304.6
Other borrowing costs	6.0	6.1	9.9	9.4
Less: amounts capitalised	(4.9)	(2.3)	(8.1)	(3.6)
Interest and other borrowing costs expensed	203.2	200.9	338.3	310.4
NOTE 20 AUDITORS' REMUNERATION				
Amounts paid or due and payable to Auditors of the Parent Entity: – for audit services	0.071	0.080	0.119	0.124
– for other services	0.001	0.016	0.002	0.025
Amounts paid or due and payable to Affiliates of the Auditors of the Parent Entity: – for audit services	0.777	0.698	1.287	1.078
– for other services	0.000	–	0.000	–
	0.849	0.794	1.408	1.227

NOTE 21 EARNINGS PER UNIT

Basic Earnings per Unit is calculated by dividing the current period's Earnings after Withholding Tax attributable to WAT by the weighted average number of Ordinary Units on issue during the year.

The weighted average number of Ordinary Units for the financial period was 1,089,911,759 Units on an entitlement basis (December 1999: 943,646,753 Units).

Diluted Earnings per Unit is calculated by dividing the current period's Earnings after Withholding Tax attributable to WAT as adjusted for earnings arising from proceeds on issue of potential Ordinary Units by the weighted average number of Ordinary and potential Ordinary Units outstanding during the current financial year. Potential Ordinary Units include unexpired Special Options and Partly Paid Units convertible to Ordinary Units. At 31 December 2000, there were 55,072,500 potential Ordinary Units with respect to unexpired Special Options, of which none were considered to be materially dilutive and 297,837,321 potential Ordinary Units with respect to Partly Paid Units, all of which were considered to be materially dilutive in US$ denominated earnings per unit. There is no dilution to A$ denominated Earnings per Unit for the years ended 31 December 1999 and 31 December 2000 and to US$ denominated Earnings per Unit for the year ended 31 December 1999. The diluted US$ denominated Earnings per Unit for the year ended 31 December 2000 is 8.17 cents.

	US$		A$	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 22 NET ASSET BACKING PER UNIT				
Net asset backing per Unit	0.95	0.88	1.71	1.34

Net asset backing per Unit is calculated by dividing the Equity Attributable to Members of Westfield America Trust by the number of Ordinary Units on issue at the end of the financial year.

NOTE 23 CONTINGENT LIABILITIES

The Redevelopment Agency of the City of West Covina ("Agency") issued US$51.2 million ($92.3 million) (December 1999 US$51.2 million ($78.4 million)) of special tax assessment municipal bonds ("Bonds") to finance land acquisition for expansion of the shopping centre and additional site improvements. Special taxes levied against the property, together with incremental property tax, incremental sales tax, and park and ride revenues will be used to pay the principal and interest on the Bonds and the administrative expense of the Agency. Principal and interest payments will continue to 2022 in graduating amounts ranging from US$3.5 million ($5.8 million) (December 1999 US$2.0 million ($3.1 million)) to US$5.3 million ($8.7 million) (December 1999 US$5.3 million ($8.2 million)). The Economic Entity has the contingent obligation to satisfy any shortfall in annual debt service after tenant recoveries.

The Economic Entity is involved in several lawsuits in the normal course of business. However, management believes that the ultimate outcome of such pending litigation will not materially affect the results of operations or the financial position of the Economic Entity.

The Economic Entity also has contingent liabilities, estimated at US$23.6 million ($42.6 million) (December 1999 US$20.9 million ($31.9 million)), arising from obligations in respect of the performance of works pursuant to lease, construction and development commitments.

The Economic Entity leases the land underlying portions of several of its centres. Future minimum annual lease payments for leases in effect as at 31 December 2000 are US$1.4 million ($2.5 million) (December 1999 US$1.4 million ($2.1 million)) per annum for the next five years and US$37.9 million ($68.4 million) (December 1999 US$41.2 million ($63.1 million)) for periods thereafter.

NOTE 24 LEASES

Property rental

Substantially all of the property owned by the Group is leased to third-party retailers under operating leases as at 31 December 2000. Lease terms vary between retailers and some leases include percentage rental payments based on sales volume.

Future minimum rental revenues receivable under non-cancelable operating leases as at 31 December 2000 are as follows:

	US$ million	A$ million
Due within one year	311.8	562.1
Due between one year and five years	989.8	1,784.0
Thereafter	814.6	1,468.3

These amounts do not include percentage rentals which may become receivable under certain leases on the basis of retailer sales in excess of stipulated minimums and do not include recovery of outgoings.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 25 CAPITAL EXPENDITURE COMMITMENTS				
Expenditure of the Economic Entity contracted but not provided for:				
Due within one year	226.9	73.8	409.0	112.9
Thereafter	95.9	–	172.8	–
	322.8	73.8	581.8	112.9

The above capital expenditure is committed to redevelop and expand investment properties owned by the Economic Entity.

NOTE 26 UNHEDGED FOREIGN CURRENCY ITEMS

The net assets of the Economic Entity are not hedged except for $465.0 million of Australian Dollar denominated liabilities in relation to the Capital Notes which are subject to currency hedge contracts equivalent to US$301.1 million.

NOTE 27 DERIVATIVE FINANCIAL INSTRUMENTS

Interest rates

Interest rates for and principal amounts of fixed rate borrowings and derivative financial instruments for the hedging of interest rate exposures on a proportion of the Economic Entity's extant and anticipated future United States Dollar denominated borrowings.

Fixed rate position as at	Average rate including margins	US$ million principal amount
31 Dec 2000	7.40%	2,682.0
31 Dec 2001	7.38%	2,735.0
31 Dec 2002	7.39%	2,844.0
31 Dec 2003	7.39%	2,782.0
31 Dec 2004	7.44%	2,623.0
31 Dec 2005	7.30%	2,047.0
31 Dec 2006	7.27%	1,799.0
31 Dec 2007	7.21%	1,488.0
31 Dec 2008	7.88%	691.0

At 31 December 2000, the fair value compared to book value of the above fixed rate borrowings and hedging arrangements amounted to a deficit of US$22.8 million (A$41.0 million).

In addition to the above, the Economic Entity has also issued US$175.0 million Convertible Redeemable Preference Shares with a coupon rate equal to the greater of 8.5% per annum or the dividend payable on the number of WEA Common Stock into which the Preference Shares are then convertible. The terms and conditions in respect of these Preference Shares are set out in Note 13.

When, as a consequence of a change in circumstances, derivative financial instruments which were previously considered as hedges cease to qualify as such, changes in the net market value of such instruments are recognised as revenues and expenses in the period in which they arise and accruals are made for gains and losses. In prior periods, the Economic Entity had certain surplus fixed rate payable swaps where exposures had been fixed by reverse swaps and the amounts thus determined were fully provided for in the accounts. At 31 December 2000, the provision in the accounts is US$8.0 million.

NOTE 27 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Exchange rates

	Weighted average forward exchange rate	To pay US$ million	To receive A$ million
Forward Exchange Contracts extant at 31 December 2000 maturing in:			
One year	0.6427	94.5	147.1
One to five years	0.6143	377.9	615.2

The Parent Entity has entered into currency hedges in respect of a proportion of its US$ dividends and distributions receivable from its controlled entities. These hedges are not recognised on the financial statements until the underlying transactions are recorded.

The average forward exchange rate at 31 December 2000 for contracts with similar maturity profiles was A$1.00 = US$0.5567 (A$1.00 = US$0.6523 at 31 December 1999).

	US$ million principal amount	A$ million principal amount
Cross-currency swap to pay United States dollars and receive Australian dollars	(301.1)	465.0

The cross-currency swap contract hedges the currency risk in relation to interest and capital repayments associated with the issue of Capital Notes to Australian investors which are denominated in Australian Dollars. Exchange gains and losses on the above hedge contract are recognised on the balance sheet in conjunction with the underlying liabilities to which the hedges relate. The exchange rate in relation to the above contracts is A$1.00 = US$0.6475. The exchange rate at 31 December 2000 for a contract with a similar maturity profile was A$1.00 = US$0.5548.

Credit Risk

In accordance with the policies determined by the Board of the Responsible Entity, credit risk is spread among a number of financial institutions. The Economic Entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet. Credit risks in relation to unrecognised financial assets arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. As at 31 December 2000 the Economic Entity's total credit risk exposure in respect thereof was A$nil (US$nil) (A$27.9 million (US$18.2 million) at 31 December 1999).

NOTE 28 SUBSEQUENT EVENTS

On 15 February 2001 WAT announced its intention to acquire, via a cash tender offer, 16,482,780 Common Shares in Westfield America, Inc. (WEA) held by the public, for US$16.25 per share, representing a transaction value of $509.0 million (US$267.8 million).

The acquisition will be funded substantially by equity raised through a private placement of 310,500,000 Ordinary Units in WAT to institutional investors at $1.45 per unit. The placement of $450.2 million is fully underwritten. The balance of the funding (including acquisition costs) will be funded through an issue of 1,000,000 Redeemable Converting Preference Units in WAT at $100.00 per unit, which is also fully underwritten.

The transaction was unanimously approved by the independent members of the WEA Board.

After the transaction, WAT's economic interest in WEA will increase from 56.9% to 72.3% and WEA will cease to be listed on the New York Stock Exchange.

These events occurred after the reporting date and their financial effect has not been recognised in these Financial Statements.

NOTE 29 RELATED PARTY TRANSACTIONS

Related party transactions that occurred during the financial period are set out below unless already disclosed elsewhere in these Financial Statements.

(i) Acquisition of an Interest in Garden State Plaza and Issue of Series F Special Options

On 1 June 2000, in accordance with approval obtained from the Members of the Trust at a General Meeting held on 4 May 2000, Westfield America, Inc. acquired the WHL Group's 50% interest in Westland Garden State Plaza Limited Partnership, the sole asset of which is the Garden State Plaza Shopping Centre, located in Paramus, New Jersey, in the United States. As part of this transaction, the Economic Entity also assumed the obligations and liabilities of Westfield Partners, Inc. and Westland Management, Inc. (two wholly owned subsidiaries of Westfield Holdings Limited which directly held the WHL Group's interest in Garden State Plaza) under a non-recourse participating loan to the Westfield America Limited Partnership ("Operating Partnership") of US$145 million.

The acquisition involved the following transactions:

Purchase of Interest in Garden State Plaza in Exchange for Series F Partnership Preferred Units

(a) On 1 June 2000, Westfield Partners, Inc. and Westland Management, Inc. entered into a Contribution Agreement with the Operating Partnership. Westfield America, Inc. is the general partner of, and holds a controlling interest in, the Operating Partnership.

Series F Partnership Preferred Units

Under the Contribution Agreement, Westfield Partners, Inc. and Westland Management, Inc. contributed their respective interests in Garden State Plaza to the Operating Partnership, in exchange for 52,483 Series F Partnership Preferred Units in the Operating Partnership ("Series F Partnership Preferred Units").

The Series F Partnership Preferred Units are limited partnership interests in the Operating Partnership, with a face value of US$1,000 per unit. The Series F Partnership Preferred Units do not carry any right to convert into Common Stock of Westfield America, Inc. Distributions on each Series F Partnership Preferred Unit will be paid quarterly, in an amount equal to the greater of (A) US$21.25 per quarter (representing an 8.5% yield on the face value); or (B) an amount equal to 51.4933 (adjusted for stock splits and other similar matters) multiplied by the dividend paid on a share of Common Stock of Westfield America, Inc. for the relevant quarter.

After 1 June 2001, the WHL Group will have the right to require the Operating Partnership to redeem the Series F Partnership Preferred Units for cash. In this situation, however, Westfield America, Inc. will have the right to acquire the Series F Partnership Preferred Units from the WHL Group by issuing an equivalent number of shares of Series F Cumulative Preferred Stock ("Series F Preferred Shares") instead of paying cash. The main terms of the Series F Preferred Shares are described below.

The Series F Partnership Preferred Units will be redeemable by the Operating Partnership at any time after 1 June 2020, at a redemption price for each Partnership Preferred Unit equal to US$1,000 plus all accrued but unpaid dividends.

If the Operating Partnership is wound up, each Series F Partnership Preferred Unit will carry a right to participate in the capital of the Operating Partnership in the amount of US$1,000 plus all accrued but unpaid dividends. This will rank ahead of the rights of holders of any common partnership units, common investor unit rights or any other units in the Operating Partnership that by their terms rank junior to the Series F Partnership Preferred Units.

The Series F Partnership Preferred Units carry only those voting and consent rights granted to other holders of units in the Operating Partnership, such as voting rights in respect of proposals for any material adverse amendment of the rights attached to the Series F Partnership Preferred Units. The Series F Partnership Preferred Units carry no right to vote at meetings of Westfield America, Inc. The Series F Partnership Preferred Units will not be quoted on the New York (or any other) Stock Exchange.

NOTE 29 RELATED PARTY TRANSACTIONS (continued)

Series F Preferred Shares

The Series F Preferred Shares will not carry any right to convert into Common Stock of Westfield America, Inc. Dividends on each Series F Preferred Share will be payable quarterly, in an amount equal to the greater of (A) US$21.25 per quarter (representing an 8.5% yield on the face value); or (B) an amount equal to 51.4933 (adjusted for stock splits and other similar matters) multiplied by the dividend paid on a share of Common Stock of Westfield America, Inc. for the relevant quarter.

Westfield America, Inc. may redeem the Series F Preferred Shares in whole or in part at any time after 20 June 2020, at a redemption price for each Series F Preferred Share equal to US$1,000 plus all accrued and unpaid dividends.

If Westfield America, Inc. is wound up, each Series F Preferred Share will carry a right to participate in the capital of Westfield America, Inc. in the amount of US$1,000 plus all accrued but unpaid dividends. This will rank ahead of the rights of holders of Common Stock but behind all creditors and pari passu with the holders of other equity securities in Westfield America, Inc. (unless the terms of those equity securities provide otherwise).

The holders of Series F Preferred Shares will have the same voting rights as the holders of Common Stock, except that they will have 51.4933 votes per Series F Preferred Share. The Series F Preferred Shares will not be quoted on the New York (or any other) Stock Exchange.

Right to put Westland Realty, Inc.

(b) On 1 June 2000, the WHL Group, through its wholly owned subsidiary Westfield Capital Corporation Finance Pty Limited ("WCCF") (which holds all the shares in Westland Realty, Inc.) entered into an agreement with Westfield America, Inc., under which WCCF has the right to sell Westland Realty, Inc. to Westfield America, Inc. in exchange for Series F Preferred Shares ("WCCF Put"). WCCF paid Westfield America, Inc. US$10,000 for the grant of the WCCF Put.

The net assets of Westland Realty, Inc. (and its wholly owned subsidiaries Westfield Partners, Inc. and Westland Management, Inc.) principally comprise 52,483 Series F Partnership Preferred Units.

If WCCF exercises the WCCF Put, the exercise price payable by Westfield America, Inc. in exchange for WCCF's shares in Westland Realty, Inc. will be 98% of the fair market value of Westland Realty, Inc. (as determined by independent valuation). The exercise price will be payable in Series F Preferred Shares (also valued by an independent valuation). Each of these valuations will be made as at the exercise date. If, at the time of exercise of the WCCF Put, Westfield America, Inc. elects not to retain any of the assets of Westland Realty, Inc. (other than securities of Westfield America, Inc. or the Operating Partnership) then, for the purpose of determining the fair market value of Westland Realty, Inc., the fair market value of those assets will be reduced by the sum of the reasonably estimated cost of disposing of those assets and all income, transfer and other taxes which will be incurred in connection with that disposal.

The WCCF Put will not be able to be exercised if, at the time of exercise, Westland Realty, Inc. holds any assets (other than securities of Westfield America, Inc. or the Operating Partnership) which, in the opinion of Westfield America, Inc. could cause Westland Realty, Inc. to fail to qualify as a Real Estate Investment Trust for US taxation purposes.

The WCCF Put will be exerciseable at any time after 1 June 2002 and up to 1 June 2010.

NOTE 29 RELATED PARTY TRANSACTIONS (continued)

Issue of Series F Special Options

(c) On 1 June 2000, the Manager granted 52,500 Series F Special Options to Westfield Capital Corporation Finance Pty Limited, a member of the WHL Group, in return for a payment of US$4.7 million, based on an independent, arm's-length valuation.

Each Series F Special Option entitles the holder to subscribe for 1,049 fully paid ordinary units in the Trust in exchange for either US$1,000 or one Series F Preferred Share (with an effective exercise price of A$1.55 per Unit).

If a Series F Special Option is exercised and the holder elects to deliver a Series F Preferred Share rather than cash in satisfaction of the exercise price, a valuation of the Series F Preferred Shares will be undertaken by an independent valuer. If the value of a Series F Preferred Share as determined by the independent valuer is less than US$1,000, the holder of the Series F Special Option will be required to pay an additional amount to the Trust, equal to the difference between that value and US$1,000.

The Series F Special Options, which are transferable, may be exercised at any time during the period commencing on 1 June 2007 and expiring on 1 June 2020. Ordinary units in the Trust issued as a consequence of the exercise of the Series F Special Options will (a) rank for distributions of income in the Trust from the first day following their allotment; and (b) participate in that proportion of the distributable income of the Trust in respect of the distribution period during which they are allotted that the number of days commencing from the date following their allotment to the end of that distribution period bears to the total number of days in that distribution period. In all other respects, the units to be allotted as a consequence of the exercise of the Series F Special Options will have the same rights as all other fully paid ordinary units on issue.

(ii) Acquisition of 2000 Warrant

On 1 June 2000, in accordance with approval obtained from the Members of the Trust at a General Meeting held on 4 May 2000, the Trust acquired a warrant issued by Westfield America, Inc. ("2000 Warrant") entitling (but not obliging) the Trust to purchase additional Common Stock in Westfield America, Inc. ("Common Stock"). The Trust paid Westfield America, Inc. US$1.86 million for the 2000 Warrant, based on an independent, arm's length valuation.

The 2000 Warrant is exerciseable in whole or in part at any time after the date of issue up to 1 June 2025. The 2000 Warrant entitles the holder to acquire 2,840,000 shares of Common Stock (adjusted for stock splits and other similar matters). The exercise price for the 2000 Warrant is US$19.42 per share of Common Stock (adjusted for stock splits and other similar matters).

In conformity with the requirements under the Corporations Law, the 2000 Warrant will only be exercised if, at the relevant point in time and having regard to all the circumstances, the Board of Directors of the Responsible Entity of the Trust determines that to do so would be in the best interests of the Members of Westfield America Trust.

Under the terms of the approval from the Members of the Trust, prior to the exercise of the 2000 Warrant, the Board of Directors of the Responsible Entity of Westfield America Trust is required to commission and receive a report from a duly qualified independent expert confirming that, at the relevant point in time and having regard to all the circumstances, the exercise of the Warrants and the consequential acquisition of Common Stock in Westfield America, Inc. is fair and reasonable to the Members of the Trust other than Members of the WHL Group or any of their associates.

NOTE 29 RELATED PARTY TRANSACTIONS (continued)

(iii) Other

(a) Property management fees amounting to US$21.834 million ($36.066 million) (US$20.969 million ($32.380 million) for the year ended 31 December 1999) were payable by the Economic Entity under normal commercial terms and conditions to the WHL Group in respect of the current financial year.

(b) During the financial year, the Economic Entity paid, under normal commercial terms and conditions, US$118.596 million ($213.761 million) (US$117.238 million ($181.034 million) for the year ended 31 December 1999) to the WHL Group in respect of expansion and redevelopment costs.

(c) During the financial year, the Economic Entity received interest amounting to US$6.646 million ($10.978 million) (US$15.951 million ($24.631 million) for the year ended 31 December 1999) in respect of the participating loan to WHL Group entities.

(d) Advisory and Manager's Service Fees

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
Advisory Fee paid or due and payable to Associates of the Manager	11.273	9.788	18.620	15.114
Manager's Service Fee paid or due and payable to the Manager	–	–	–	–

Westfield America, Inc. has engaged Westfield U.S. Advisory L.P. ("Advisor") to provide information, advice and assistance to Westfield America, Inc. and to undertake certain duties and responsibilities on behalf of, and subject to, the supervision of Westfield America, Inc. The Advisor will be paid an annual Advisory Fee equal to the lesser of 0.55% of the net equity value of Westfield America, Inc. or, 25% of the annual Funds From Operations of Westfield America, Inc. in excess of a base amount of Funds From Operations as adjusted from time to time to reflect new issues of Common Stock. The term "Funds From Operations" means net income/(loss) (computed in accordance with generally accepted accounting principles in the United States) ("GAAP") excluding gains (or losses) from debt restructuring and sales of property, plus real estate related depreciation and amortisation and after adjustments for consolidated partnerships and joint ventures.

The Trust and Westfield America Management Limited ("Manager") entered into an agreement whereby the Trust will be managed by the Manager for which the Manager will be paid an annual fee of 0.55% of the net asset value of the Trust. In addition, the Manager has agreed that this fee payable by the Trust will be reduced by an amount equivalent to the proportion of the Advisory Fee paid by Westfield America, Inc. to the Advisor which is attributable to the Trust's ownership interest in Westfield America, Inc.

The Manager and the Advisor agreed at the time of the listing of the Trust to forgo the entitlement to their Service Fee for the period from 28 March 1996, the inception of the Trust, to 31 December 1997. In addition, the Manager has agreed to forgo its entitlement to the Service Fee being the amount in excess of the Trust's ownership interest proportion of the Advisory Fee paid by Westfield America, Inc. to the Advisor, for the year ended 31 December 2000.

NOTE 29 RELATED PARTY TRANSACTIONS (continued)

(e) WEA Directors' Remuneration

R L Furman, H Huizinga, B Marcus, L A Silverstein and F T Vincent Jr each received directors' fees of US$20,000 ($33,036) and WEA Common Stock at a market value of US$20,000 ($33,036) and F G Hilmer received directors' fees of US$10,000 ($16,518) and WEA Common Stock at a market value of US$20,000 ($33,036) in respect of the year ended 31 December 2000 (FG Hilmer, RL Furman, H Huizinga, B Marcus, LA Silverstein and FT Vincent Jr each received directors' fees of US$20,000 ($30,883) and WEA Common Stock at a market value of US$20,000 ($30,883) and G Weissman received directors' fees of US$10,000 ($15,442 and WEA Common Stock at a market value of US$10,000 ($15,442) in respect of the year ended 31 December 1999). The executive directors of WEA, FP Lowy, DH Lowy, PS Lowy, SM Lowy and RE Green received no directors' fees in respect of the years ended 31 December 2000 and 1999.

Other than as stated above, the Directors of WEA did not receive any remuneration from WAT or its controlled entities.

The aggregate number of WEA Common Stock held directly by Directors of WEA at balance date was 141,396 (164,850 at 31 December 1999).

NOTE 30 FINANCIAL REPORTING BY SEGMENTS

The Economic Entity operates solely as a retail property investor in the United States.

NOTE 31 DETAILS OF CONSOLIDATED CONTROLLED ENTITIES AND EQUITY ACCOUNTED JOINT VENTURES

Name of entity	Notes	31 Dec 2000 Interest Bene-ficial %	31 Dec 2000 Interest Consol-idated %	31 Dec 1999 Interest Bene-ficial %	31 Dec 1999 Interest Consol-idated %
Parent Entity					
Westfield America Trust	a d	100.00	100.00	100.00	100.00
Consolidated Controlled Entities					
Westfield America, Inc.	b d e	58.15	100.00	49.42	100.00
Westfield America G.P., Inc.	b d e	58.15	100.00	49.42	100.00
Westfield America G.P. LLC	b d e	58.15	100.00	–	–
Westfield America M.S., Inc.	b d e	58.15	100.00	49.42	100.00
Westfield America of Meriden Square, Inc.	b d e	58.15	100.00	49.42	100.00
Westfield America of Annapolis, Inc.	b d e	58.15	100.00	49.42	100.00
Westfield America of Bonita, Inc.	b d e	58.15	100.00	49.42	100.00
Westfield America of Missouri, Inc.	b d e	58.15	100.00	49.42	100.00
Westfield America of Vancouver, Inc.	b d e	58.15	100.00	49.42	100.00
Westfield America of West Covina, Inc.	b d e	58.15	100.00	49.42	100.00
Westfield America – Wheaton, Inc.	b d e	58.15	100.00	49.42	100.00
WEA Crestwood Plaza LLC	b d e	58.15	100.00	49.42	100.00
WEA CT Houses LLC	b d e	58.15	100.00	49.42	100.00
WEA Meriden Square LLC	b d e	58.15	100.00	49.42	100.00
WEA Meriden Square No.2 LLC	b d e	58.15	100.00	49.42	100.00
WEA Meriden Square No.3 LLC	b d e	58.15	100.00	49.42	100.00
WEA Meriden Square, Inc.	b d e	58.15	100.00	49.42	100.00
WEA North County Fair LLC	b d e	58.15	100.00	49.42	100.00
WEA NY Houses LLC	b d e	58.15	100.00	49.42	100.00
WEA Valley Fair LLC	b d e	58.15	100.00	49.42	100.00
WEA Valley Fair UTC LLC	b d e	58.15	100.00	49.42	100.00
Annapolis Land LLC	b d e	58.15	100.00	49.42	100.00
Annapolis Mall LLC	b d e	58.15	100.00	49.42	100.00
Annapolis Manager LLC	b d e	58.15	100.00	49.42	100.00
Annapolis Shoppingtown LLC	b d e	58.15	100.00	49.42	100.00
Capital Mall Company	b d e	58.15	100.00	49.42	100.00
Capital Mall Land LLC	b d e	58.15	100.00	49.42	100.00
Capital Shopping Centre, Inc.	b d e	58.15	100.00	49.42	100.00
Capital Shopping Centre LLC	b d e	58.15	100.00	49.42	100.00
CMF, Inc.	b d e	58.15	100.00	49.42	100.00
Connecticut Post Mall LLC	b d e	58.15	100.00	49.42	100.00
Connecticut Post Mall No.2 LLC	b d e	58.15	100.00	49.42	100.00
Crestwood Plaza, Inc.	b d e	58.15	100.00	49.42	100.00
Downtown Plaza LLC	b d e	58.15	100.00	49.42	100.00
Eagle Rock Manager LLC	b d e	58.15	100.00	49.42	100.00
Eagle Rock Plaza LLC	b d e	58.15	100.00	49.42	100.00
Eagle Rock Properties, Inc.	b d e	58.15	100.00	49.42	100.00

NOTE 31 DETAILS OF CONSOLIDATED CONTROLLED ENTITIES AND EQUITY ACCOUNTED JOINT VENTURES (continued)

Name of entity	Notes	31 Dec 2000 Interest Bene-ficial %	31 Dec 2000 Interest Consol-idated %	31 Dec 1999 Interest Bene-ficial %	31 Dec 1999 Interest Consol-idated %
Eastland Manager LLC	b d e	58.15	100.00	49.42	100.00
Eastland Shopping Centre LLC	b d e	58.15	100.00	49.42	100.00
Enfield Land LLC	b d e	58.15	100.00	–	–
Enfield Square, Inc.	b d e	58.15	100.00	49.42	100.00
Enfield Square LLC	b d e	58.15	100.00	49.42	100.00
Fox Hills Mall, Inc.	b d e	58.15	100.00	49.42	100.00
FH Financing LLC	b d e	58.15	100.00	49.42	100.00
Horton Plaza, Inc.	b d e	58.15	100.00	49.42	100.00
Horton Land LLC	b d e	58.15	100.00	49.42	100.00
Meriden Square #1 LLC	b d e	58.15	100.00	–	–
Meriden Square #2 LLC	b d e	58.15	100.00	–	–
Meriden Square #3 LLC	b d e	58.15	100.00	–	–
Mid Rivers, Inc.	b d e	58.15	100.00	49.42	100.00
Mid Rivers Land LLC	b d e	58.15	100.00	49.42	100.00
Mid Rivers Mall LLC	b d e	58.15	100.00	49.42	100.00
Mid Rivers Office Development I, Inc.	b d e	58.15	100.00	49.42	100.00
Mission Valley Centre LLC	b d e	58.15	100.00	49.42	100.00
Mission Valley Manager LLC	b d e	58.15	100.00	–	–
Mission Valley Finance Corporation	b d e	58.15	100.00	49.42	100.00
Montgomery Mall Borrower LLC	b d e	58.15	100.00	49.42	100.00
Montgomery Mall of Maryland LLC	b d e	58.15	100.00	49.42	100.00
Montgomery Mall Properties, Inc.	b d e	58.15	100.00	49.42	100.00
Northwest Plaza, Inc.	b d e	58.15	100.00	49.42	100.00
Northwest Plaza LLC	b d e	58.15	100.00	49.42	100.00
Oakridge Mall, Inc.	b d e	58.15	100.00	49.42	100.00
Parkway Plaza, Inc.	b d e	58.15	100.00	49.42	100.00
Plaza Bonita, Inc.	b d e	58.15	100.00	49.42	100.00
Plaza Camino Real LLC	b d e	58.15	100.00	49.42	100.00
Plaza West Covina, Inc.	b d e	58.15	100.00	49.42	100.00
Residential Rental and Investments, Inc.	b d e	58.15	100.00	49.42	100.00
South County Center LLC	b d e	58.15	100.00	49.42	100.00
South County Post Office LLC	b d e	58.15	100.00	49.42	100.00
South County Properties, Inc.	b d e	58.15	100.00	49.42	100.00
South Shore Mall LLC	b d e	58.15	100.00	49.42	100.00
South Shore Manager LLC	b d e	58.15	100.00	49.42	100.00
SSM Land LLC	b d e	58.15	100.00	–	–
Topanga Center, Inc.	b d e	58.15	100.00	49.42	100.00
Trumbull Mall LLC	b d e	58.15	100.00	49.42	100.00
Trumbull Shopping Centre # 1 LLC	b d e	58.15	100.00	–	–
Trumbull Shopping Centre # 2 LLC	b d e	58.15	100.00	–	–

NOTE 31 DETAILS OF CONSOLIDATED CONTROLLED ENTITIES AND EQUITY ACCOUNTED JOINT VENTURES (continued)

Name of entity	Notes	31 Dec 2000 Interest Bene-ficial %	31 Dec 2000 Interest Consol-idated %	31 Dec 1999 Interest Bene-ficial %	31 Dec 1999 Interest Consol-idated %
Trumbull Department Stores, Inc.	b d e	58.15	100.00	49.42	100.00
Vancouver Mall LLC	b d e	58.15	100.00	49.42	100.00
WAP HC, Inc.	b d e	58.15	100.00	49.42	100.00
West County Centre LLC	b d e	58.15	100.00	49.42	100.00
West Park Mall, Inc.	b d e	58.15	100.00	49.42	100.00
West Park Mall LLC	b d e	58.15	100.00	49.42	100.00
West Park Shopping Centre, Inc.	b d e	58.15	100.00	49.42	100.00
Westfield Garden State LLC	b d e	58.15	100.00	–	–
Westfield Independence LLC	b d e	58.15	100.00	49.42	100.00
Westfield Management, Inc.	b d e	58.15	100.00	49.42	100.00
Westfield Mission Valley Corporation	b d e	58.15	100.00	49.42	100.00
Westfield Subsidiary REIT 1, Inc.	b d e	58.15	100.00	49.42	100.00
Westfield Subsidiary REIT 2, Inc.	b d e	58.15	100.00	49.42	100.00
Westland Milford Properties, Inc.	b d e	58.15	100.00	49.42	100.00
Westland Partners, Inc.	b d e	58.15	100.00	49.42	100.00
Westland Properties, Inc.	b d e	58.15	100.00	49.42	100.00
Westland Town Centre LLC	b d e	58.15	100.00	49.42	100.00
Wheaton Plaza No.1 LLC	b d e	58.15	100.00	49.42	100.00
WPI Meriden Square, Inc.	b d e	58.15	100.00	49.42	100.00
Annapolis Mall Limited Partnership	c d e	58.15	100.00	49.42	100.00
The Connecticut Post Limited Partnership	c d e	58.15	100.00	49.42	100.00
EWH Escondido Associates L.P.	c d e	58.15	100.00	49.42	100.00
Fox Hills Mall L.P.	c d e	58.15	100.00	49.42	100.00
Horton Plaza L.P.	c d e	58.15	100.00	49.42	100.00
Montgomery Mall Limited Partnership	c d e	58.15	100.00	49.42	100.00
Montgomery Mall Condominium Limited Partnership	c d e	58.15	100.00	–	–
Meriden Square Partnership	c d e	58.15	100.00	49.42	100.00
North County Fair L.P.	c d e	58.15	100.00	49.42	100.00
Oakridge Mall L.P.	c d e	58.15	100.00	49.42	100.00
Parkway Plaza L.P.	c d e	58.15	100.00	49.42	100.00
PCRGP L.P.	c d e	58.15	100.00	–	–
Plaza Bonita L.P.	c d e	58.15	100.00	49.42	100.00
Plaza West Covina L.P.	c d e	58.15	100.00	49.42	100.00
Promenade L.P.	c d e	58.15	100.00	49.42	100.00
Santa Anita Fashion Park L.P.	c d e	58.15	100.00	49.42	100.00
Solano Mall L.P.	c d e	58.15	100.00	49.42	100.00
Topanga Plaza L.P.	c d e	58.15	100.00	49.42	100.00
WEA Palm Desert L.P.	c d e	58.15	100.00	49.42	100.00
Westfield America Investor L.P.	c d e	58.15	100.00	49.42	100.00
Westfield America Limited Partnership	c d e	58.15	100.00	49.42	100.00

NOTE 31 DETAILS OF CONSOLIDATED CONTROLLED ENTITIES AND EQUITY ACCOUNTED JOINT VENTURES (continued)

Name of entity	Notes	31 Dec 2000 Interest Bene-ficial %	31 Dec 2000 Interest Consol-idated %	31 Dec 1999 Interest Bene-ficial %	31 Dec 1999 Interest Consol-idated %
West Park Partners L.P.	c d e	58.15	100.00	49.42	100.00
West Valley L.P.	c d e	58.15	100.00	49.42	100.00
Westland Shopping Centre L.P.	c d e	58.15	100.00	49.42	100.00
Westland South Shore Mall L.P.	c d e	58.15	100.00	49.42	100.00
Wheaton Plaza Regional Shopping Centre L.L.P.	c d e	58.15	100.00	49.42	100.00
Anita Associates	c d e	52.15	89.68	44.32	89.68
Hahn UPI	c d e	46.14	79.36	39.22	79.36
Independence Mall Associates Limited Partnership	c d e	49.42	85.00	6.18	12.50
Mission Valley Partnership	c d e	44.07	75.80	37.46	75.80
Mid Rivers Limited Partnership	c d e	19.38	33.33	16.47	33.33
UPI Associates	c d e	10.14	17.44	8.62	17.44
Vancouver Mall II Limited Partnership	c d e	57.86	99.50	–	–
Westfield Independence Mall Limited Partnership	c d e	34.89	60.00	29.65	60.00
Westfield Independence Mall Limited Partnership No.2	c d e	7.27	12.50	6.18	12.50
Equity Accounted Joint Venture Entities					
M-R St. Peters L.P.	c d e	–	–	24.71	50.00
MBM Associates – New	c d e	0.58	1.00	0.49	1.00
Owensmouth Office Associates LTD	c d e	12.36	21.25	10.50	21.25
Plaza Camino Real	c d e	23.26	40.00	19.77	40.00
University Towne Centre LLC	b d e	29.07	50.00	24.71	50.00
V F Mall LLC	b d e	29.07	50.00	24.71	50.00
Valley Fair UTC LLC	b d e	29.07	50.00	24.71	50.00
Vancouver Mall	c d e	–	–	24.71	50.00
Westfield Paramus Holdings LLC 1	c d e	28.78	49.50	–	–
Westfield Paramus Holdings LLC 2	c d e	29.07	50.00	–	–
Westland Garden State Plaza Limited Partnership	c d e	29.07	50.00	–	–
West Valley Development LLC	c d e	24.71	42.50	–	–
West Valley Partnership	c d e	24.71	42.50	21.00	42.50

Notes

a Trust.

b Company – incorporated in the United States.

c Partnership – formed in the United States.

d Principal activity – property investment.

e Business entity audited by affiliates of the auditors of the Parent Entity.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 32 NOTES TO THE STATEMENT OF CASH FLOWS				
(a) COMPONENTS OF CASH				
Cash#	44.7	46.9	70.6	72.2
	44.7	46.9	70.6	72.2

Includes restricted cash representing funds totalling $US19.1 million ($34.4 million) (US$40.0 million ($61.2 million) at 31 December 1999) set aside to pay operating and capital expenditures on properties which are collateral for secured loan facilities and funds to be utilised in the redevelopment of centres.

(b) RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO EARNINGS AFTER WITHHOLDING TAX BUT BEFORE OUTSIDE EQUITY INTERESTS

Net cash in/(out) flows from operating activities	378.6	341.7	625.0	527.7
Currency translation differences	–	–	0.1	(0.3)
Bad debt provision	1.2	1.0	1.9	1.4
Interest expense	(203.2)	(200.9)	(338.3)	(310.4)
United States Withholding Tax expense	(7.7)	(7.2)	(12.2)	(11.1)
(Decrease)/Increase in other net assets attributable to operating activities	(1.4)	16.8	(1.8)	26.3
Earnings After Withholding Tax but before Outside Equity Interests	167.5	151.4	274.7	233.6

(c) NON CASH FINANCING AND INVESTING ACTIVITIES

During the current financial year, the Economic Entity acquired property investments totalling $373.8 million (US$212.6 million) by the issue of equity and the assumption of debt.

(d) FINANCING FACILITIES

Firmly committed financing facilities available to the Economic Entity are as follows:

Total financing facilities#	2,612.7	2,423.3	4,709.2	3,708.3
Amounts utilised*	(2,366.6)	(2,103.4)	(4,265.6)	(3,218.7)
Available financing facilities#	246.1	319.9	443.6	489.6
Cash (refer Note 32(a))	44.7	46.9	70.6	72.2
Total available financing facilities	290.8	366.8	514.2	561.8

Financing facilities comprise:

(a) term loans from banks and financial institutions in respect of specific retail property investments; and

(b) bank facilities for general corporate and property redevelopment purposes.

Available financing facilities comprise term loans for general corporate and property redevelopment purposes (refer details as set out in Note 11) and undrawn bank facilities as set out below:

(i) a secured revolving credit facility of US$450.0 million ($811.1 million) (US$450.0 million ($688.6 million) secured at 31 December 1999), with a consortium of banks. The facility is an interest only floating rate facility maturing in December 2002 with an option to extend to December 2003. At 31 December 2000, amounts available under this facility totalled US$217.0 million ($391.1 million) (31 December 1999 US$289.8 million ($443.6 million)).

NOTE 32 NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(ii) an unsecured revolving credit facility of $30.0 million (US$16.6 million) (31 December 1999 $65.0 million (US$42.5 million)) with a bank. The facility is an interest only floating rate facility maturing in December 2001. At 31 December 2000, amounts available under this facility totalled $30.0 million (US$16.6 million) (31 December 1999 $46.0 million (US$30.1 million)).

(iii) an unsecured revolving credit facility of $70 million (US$38.8 million) (31 December 1999 Nil) with a bank. This facility is an amortizing floating rate facility with an ultimate maturity date of 30 June 2003. At 31 December 2000, amounts available under this facility totalled $22.5 million (US$12.5 million) (31 December 1999 Nil).

* Amounts utilised have been translated at exchange rates ruling at balance date and do not include the effects of currency hedge contracts.

Profit and Loss Statement

for the year ended 31 December 2000

WESTFIELD AMERICA TRUST – PARENT ENTITY

	Note 1(k)	US$ million 31 Dec 2000	US$ million 31 Dec 1999	A$ million 31 Dec 2000	A$ million 31 Dec 1999
Operating Revenue					
Interest Income		0.2	0.4	0.3	0.7
Dividends and distributions from Controlled Entities		84.7	71.2	131.6	109.4
		84.9	71.6	131.9	110.1
Less – Operating Expenditure					
Legal Fees		0.1	0.0	0.1	0.0
Auditors' Remuneration	8	0.1	0.1	0.1	0.1
Trustee/Custodian Fees		0.0	0.1	0.0	0.1
Interest and Other Borrowing Costs		1.5	1.4	2.7	2.2
Other Expenses		0.6	1.1	1.1	1.8
		2.3	2.7	4.0	4.2
Earnings Before Withholding Tax		82.6	68.9	127.9	105.9
Less – United States Withholding Tax thereon		7.0	9.7	10.9	14.9
Earnings After Withholding Tax	14(b)	75.6	59.2	117.0	91.0
Add – Amounts Transferred from Reserves	7	14.7	15.8	24.8	24.2
Distributable Income		90.3	75.0	141.8	115.2
Less – Distribution Paid		42.6	35.5	66.5	54.4
Less – Distribution Payable		47.7	39.5	75.3	60.8
Retained Earnings brought forward		0.0	0.0	0.0	0.0
Retained Earnings carried forward		0.0	0.0	0.0	0.0
Distribution per Unit (cents)		8.29	7.95	13.01	12.21

Balance Sheet

as at 31 December 2000

WESTFIELD AMERICA TRUST – PARENT ENTITY

	Note 1(k)	US$ million 31 Dec 2000	US$ million 31 Dec 1999	A$ million 31 Dec 2000	A$ million 31 Dec 1999
CURRENT ASSETS					
Cash		0.7	0.4	1.3	0.6
Receivables	2	25.3	19.1	39.4	29.4
TOTAL CURRENT ASSETS		26.0	19.5	40.7	30.0
NON-CURRENT ASSETS					
Investments	3	1,170.1	930.6	2,104.6	1,424.4
TOTAL NON-CURRENT ASSETS		1,170.1	930.6	2,104.6	1,424.4
TOTAL ASSETS		1,196.1	950.1	2,145.3	1,454.4
CURRENT LIABILITIES					
Accounts Payable	4	48.6	42.2	77.0	65.0
TOTAL CURRENT LIABILITIES		48.6	42.2	77.0	65.0
NON-CURRENT LIABILITIES					
Borrowings	5	26.3	12.4	47.5	19.0
TOTAL NON-CURRENT LIABILITIES		26.3	12.4	47.5	19.0
TOTAL LIABILITIES		74.9	54.6	124.5	84.0
NET ASSETS		1,121.2	895.5	2,020.8	1,370.4
EQUITY INTERESTS					
Units on Issue	6	976.6	838.1	1,344.5	1,106.5
Reserves	7	144.6	57.4	676.3	263.9
Retained Earnings		0.0	0.0	0.0	0.0
TOTAL EQUITY INTERESTS		1,121.2	895.5	2,020.8	1,370.4

Statement of Cash Flows

for the year ended 31 December 2000

WESTFIELD AMERICA TRUST – PARENT ENTITY

	Note 1(k)	US$ million 31 Dec 2000	US$ million 31 Dec 1999	A$ million 31 Dec 2000	A$ million 31 Dec 1999
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments in the course of operations		(2.4)	(2.2)	(4.2)	(3.6)
Dividends and distributions from controlled entities		81.1	68.4	125.7	101.5
Interest received		0.2	0.4	0.3	0.7
CASH IN/(OUT) FLOWS FROM OPERATING ACTIVITIES	14(b)	78.9	66.6	121.8	98.6
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for the purchase of interests in controlled entity		(145.2)	(91.7)	(251.2)	(138.1)
CASH IN/(OUT) FLOWS FROM INVESTING ACTIVITIES		(145.2)	(91.7)	(251.2)	(138.1)
CASH FLOWS FROM FINANCING ACTIVITIES					
Issue of capital to Members (net of costs)		143.1	109.8	246.1	167.9
Borrowings – repayments		–	(4.2)	–	(12.8)
Borrowings – proceeds		15.8	–	28.5	–
Distributions paid		(81.1)	(70.3)	(127.3)	(101.0)
United States Withholding Tax paid		(11.2)	(10.5)	(17.4)	(15.2)
CASH IN/(OUT) FLOWS FROM FINANCING ACTIVITIES		66.6	24.8	129.9	38.9
NET CASH IN/(OUT) FLOWS FOR THE YEAR		0.3	(0.3)	0.5	(0.6)
CASH BALANCE AT BEGINNING OF THE YEAR		0.4	0.7	0.6	1.4
Exchange gains/(losses) on cash balance brought forward at beginning of the year		–	–	0.2	(0.2)
CASH BALANCE AT END OF THE YEAR	14(a)	0.7	0.4	1.3	0.6

NOTE 1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

(a) Basis of Preparation

The Financial Report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Law, applicable Australian Accounting Standards and other mandatory professional reporting requirements. The Financial Report has been prepared on the basis of historical cost accounting and does not purport to disclose current values except where indicated.

The accounting policies adopted are in all material respects consistent with those applied in the previous year except as otherwise stated.

(b) Foreign Currencies

Transactions in foreign currencies are converted to local currency at the rate of exchange ruling at the date of the transaction or at hedge rates where applicable.

Amounts payable to and by the Parent Entity that are outstanding at the balance date and are denominated in foreign currencies have been converted to local currency using rates of exchange ruling at the end of the year.

Except for certain specific hedges, all resulting exchange differences arising on settlement or re-statement are brought to account in determining the earnings before withholding tax for the financial year, and transaction costs, premiums and discounts on forward currency contracts are deferred and amortised over the life of the contract.

(c) Revenue

Dividends and capital distributions paid and payable by controlled entities to the Parent Entity have, following appropriate adjustments to comply with applicable Australian Accounting Standards and requirements of the Constitution, been recorded as income in the Financial Statements of the Parent Entity on an accruals basis.

(d) Expenditure

Expenditure is brought to account on an accruals basis.

(e) Income Tax

Under current Income Tax legislation, the Parent Entity is not liable to income tax including capital gains tax, provided it distributes an amount at least equal to its net accounting income (as defined in the Constitution) for the year.

(f) Investments

Investment in a controlled entity is revalued at each balance date to reflect the Parent Entity's proportionate interest in the underlying net asset value of the controlled entity.

(g) Cash Flows

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank, short term money market deposits and bank accepted bills of exchange readily convertible to cash, net of bank overdrafts.

(h) Financial Information Expressed in United States Dollars

In addition to all amounts reported in Australian Dollars ("A$" or "$"), where appropriate, United States Dollar amounts or equivalent amounts ("US$") have also been provided in respect of certain assets, liabilities, revenue and expenditure.

The amounts reported in US$ have been translated at the hedge rate in respect of specifically hedged items, the average rate in respect of all other profit and loss items and the year end rate in respect of all other balance sheet items.

(i) Derivatives and Other Financial Instruments

The Parent Entity's activities expose it to changes in foreign exchange rates. There are policies and limits approved by the Board of Directors of the Responsible Entity in respect of the usage of derivative and other financial instruments to hedge cashflows subject to currency risks. Management reports to the Board on a regular basis as to the monitoring of the policies in place.

The accounting policies adopted in relation to material financial instruments are detailed as follows:

Recognised Financial Instruments

Financial Assets

Investments

Investment in a controlled entity is revalued at each balance date to reflect the Parent Entity's proportionate interest in the underlying net asset value of the controlled entity. Investments in unlisted shares and securities are carried at cost. Terms and conditions are set out in Note 3.

Unrecognised Derivative Financial Instruments

Forward Exchange Contracts

The Parent Entity enters into forward exchange contracts where it agrees to sell specified amounts of foreign currencies at predetermined exchange rates. The objective is to minimise the risk of exchange rate fluctuation in respect of a portion of its foreign currency denominated future earnings. The value of the forward exchange contracts is brought to account in conjunction with the income to which the hedges relate. Details are set out in Note 10.

NOTE 1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

Forward Exchange Contracts (continued)

The Parent Entity does not trade in derivative financial instruments for speculative purposes. In conjunction with its advisers, the Parent Entity continually reviews its exposures and upgrades its treasury policies and procedures. Revenues or expenses arising from changes in the net market values of hedging instruments are matched and brought to account with the carrying values and income streams of the underlying assets or liabilities.

Disclosure of Market Values

The applicable market rates and prices in respect of derivative and other financial instruments are set out in the notes to these Financial Statements.

(j) Borrowing Costs

Borrowing costs are recognised as expenses in the period in which they are incurred. Borrowing costs include interest on bank overdrafts and short-term borrowings.

(k) Rounding

Pursuant to ASIC Class Order 98/0100, the amounts shown in the Financial Report have, unless otherwise indicated, been rounded to the nearest tenth of a million dollars. Amounts shown as 0.0 represent amounts less than $50,000 that have been rounded down.

(l) Comparative Figures

Except as noted, certain comparative figures have been restated in order to comply with the current year's presentation of the Financial Report.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 2 RECEIVABLES				
Other debtors	0.3	0.1	0.5	0.1
United States Withholding Tax receivable	2.4	–	3.6	–
Amounts due from Westfield America, Inc.	22.6	19.0	35.3	29.3
	25.3	19.1	39.4	29.4
NOTE 3 INVESTMENTS				
42,802,010 (1999: 41,556,910) listed common shares in Westfield America, Inc ("WEA"), a controlled entity, at Manager's valuation	855.2	742.1	1,587.8	1,127.5
Investment in unlisted shares in WEA at cost*	310.5	186.0	510.3	293.6
Investment in unlisted securities in WEA at cost**	4.4	2.5	6.5	3.3
Total investment in WEA, at Manager's valuation based on the proportionate interest in the underlying net asset value of WEA	1,170.1	930.6	2,104.6	1,424.4

* Represents:

(a) 1,033,334 US$180.00 Convertible Redeemable Preference Shares in WEA, (416,667 issued on 12 August 1998, 138,889 issued on 23 December 1998 and 477,778 issued on 16 August 1999). These Preference Shares are not quoted on any stock exchange. Each Preference Share will convert into WEA Common Stock at any time at the option of the holder. Initially, each Preference Share will convert into ten shares of WEA Common Stock (at an effective price of US$18.00 per Common Stock). This conversion ratio is subject to customary anti-dilution adjustments. Dividends on each Preference Share will be equal to the greater of 8.5% per annum or the dividend payable on the number of shares of WEA Common Stock into which the Preference Share is then convertible. If WEA ceases to qualify to be taxed as a Real Estate Investment Trust ("REIT"), such dividends will be increased by a factor of 2.5.

NOTE 3 INVESTMENTS (continued)

The Preference Shares are redeemable at the Option of WEA at 100% of face value at any time after 12 August 2008. In the usual course, at any time following 12 August 2008, if the market price of WEA Common Stock is at or below the conversion price (being US$18.00), each Preference Share will be redeemable at the option of the holder at 100% of face value (including all accrued but unpaid dividends) for cash or WEA Common Stock at the option of WEA. In certain very unusual circumstances, they are also redeemable at the option of the holder: (A) in circumstances where WEA ceases to be a REIT, at 115% of face value (including all accrued but unpaid dividends); and (B) in circumstances causing a change in control of WEA, at 105% of face value (including all accrued but unpaid dividends).

If WEA is wound up, each Preference Share will carry a right to participate in the capital of WEA in the amount of US$180.00, ranking ahead of the rights of the holders of WEA Common Stock but behind all creditors and holders of other equity securities in WEA (unless the terms of those equity securities provide otherwise). The Preference Shares carry no right to vote unless the vote relates to the rights of the Preference Shares.

(b) 940,000 Series A Preference Shares entitled to an annual dividend per share equivalent to the greater of US$8.50 ($14.04) or the annual dividend paid in respect of 62.50 WEA Common Shares and 270,000 Series B Preference Shares entitled to an annual dividend per share equivalent to the greater of US$8.50 ($14.04) or the annual dividend paid in respect of 66.67 WEA Common Shares. WAT is entitled to be paid US$100.00 ($180.25) per Preference Share upon liquidation. The Series A and Series B Preference Shares may be redeemed at the option of WEA any time after 1 July 2003 and 21 May 2004 respectively, upon payment of US$100.00 ($180.25) per share together with any accrued dividend.

The Series A Preference Shares were issued on commercial terms that are substantially similar to WEA's Common Shares. These Preference Shares were issued concurrent with the restructure of WEA upon the acquisition by WAT of a controlling interest therein during July 1996. The Series B Preference Shares were also issued by WEA on commercial terms that are substantially similar to WEA's Common Shares upon the completion of its Initial Public Offering in May 1997.

** Represents options to acquire:

(a) 6,246,096 WEA ordinary shares at an exercise price of US$16.01 per share. The options are exercisable during the period ending on 1 July 2016.

(b) 2,089,552 WEA ordinary shares at an exercise price of US$15.00 per share. The options are exercisable during the period ending on 21 May 2017.

(c) 2,840,000 WEA ordinary shares at an exercise price of US$19.42 per share. The options are exercisable during the period ending on 1 June 2025.

At 31 December 2000, WEA common shares were quoted at US$14.44 (equivalent to A$26.02) per share on the New York Stock Exchange.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 4 ACCOUNTS PAYABLE				
Trade creditors	0.9	0.8	1.7	1.3
United States Withholding Tax payable	–	1.9	–	2.9
Distribution payable to Members	47.7	39.5	75.3	60.8
	48.6	42.2	77.0	65.0
NOTE 5 BORROWINGS				
Bank loans – unsecured (refer Note 14(c))	26.3	12.4	47.5	19.0

	Number of Units	US$ million 31 Dec 2000	US$ million 31 Dec 1999	A$ million 31 Dec 2000	A$ million 31 Dec 1999
NOTE 6 ISSUED CAPITAL					
Ordinary Units on Issue					
Ordinary Units of $1.00 each Fully Paid					
Balance at beginning of the year	1,021,495,138	836.9	727.2	1,104.7	936.8
Placement – net of costs					
allotment date – 15 July 1999	–	–	84.5	–	128.4
allotment date – 31 August 2000	99,400,000	85.3	–	148.5	–
DRP units – net of costs					
allotment date – 31 August 1999	–	–	25.2	–	39.5
allotment date – 28 February 2000	29,859,181	25.6	–	41.5	–
allotment date – 31 August 2000	30,957,164	27.6	–	48.0	–
Balance at end of the year	1,181,711,483	975.4	836.9	1,342.7	1,104.7

On 28 February 2000, 29,859,181 Distribution Reinvestment Plan ("DRP") Ordinary Units were issued at $1.39 per unit fully paid and on 31 August 2000, 30,957,164 DRP Ordinary Units were issued at $1.55 per unit fully paid pursuant to the Trust's DRP. DRP units issued during the year rank for distribution from the date of allotment. On 31 August 2000, a placement of 99,400,000 Ordinary Units was made at $1.52 per unit fully paid. These units rank for distribution from the date of allotment.

Partly Paid Units on Issue					
Partly Paid Units of $50.20 each					
Partly Paid to $0.20 each					
Balance at beginning and end of the year	9,300,000	1.2	1.2	1.8	1.8

	Number of Options	
Options on Issue		
Special Options – Series F	52,500	convertible to 55,072,500 WAT fully paid $1.00 units

Partly Paid Units – $466.86 million

Subject to payment of the final instalment of $50.00 for each of the series, the Series A, Series B and Series C Partly Paid Units will convert into Ordinary Units in WAT on 29 June 2001, 28 June 2002 and 30 June 2003 respectively at a 5% discount to the market price for Ordinary Units at that time. The funds raised on conversion, totalling $466.86 million, have been underwritten by Warburg Dillon Read Australia Limited and will be used by WAT, pursuant to an agreement dated 29 May 1998, to subscribe for additional Common Shares in WEA at a 5% discount to the market price for Common Shares at the time.

At any time up to two days prior to the due date for the final instalment on a series of Partly Paid Units, Westfield America Management Limited, the Responsible Entity, has the right to redeem that series by the payment of $2.64 per Partly Paid Unit or by the issue of Ordinary Units to the value of $2.64.

The Partly Paid Units have no distribution entitlement to the income of WAT. The Ordinary Units into which they convert following payment of the final instalment will rank for distribution from 1 July following each respective conversion date.

Prior to the payment of the final instalment, the Partly Paid Units have no voting entitlement at meetings of Members in WAT except where the Corporations Law or the Listing Rules requires that Partly Paid Units carry an entitlement to vote, in which case there is a voting entitlement based on the proportion of the paid up amount on each unit to 95% of the then market value of Ordinary Units in WAT.

The Partly Paid Units are quoted as stapled securities, with each stapled security consisting of one Series A, one Series B and one Series C Partly Paid Unit. At 31 December 2000, there were 9,300,000 Partly Paid Units representing 3,100,000 stapled securities on issue which would have been convertible to 297,837,321 WAT $1.00 Units as at 31 December 2000.

NOTE 6 ISSUED CAPITAL (continued)

Special Options

During the year, in connection with the acquisition by WAT of 940,000 unlisted Preference Shares in WEA, 940,000 Series A Special Options to acquire 117,426,609 WAT units, were cancelled for a cash consideration of A$9.7 million.

During the year, in connection with the acquisition by WAT of 270,000 unlisted Preference Shares in WEA, 270,000 Series B Special Options to acquire 36,000,000 WAT units, were cancelled for a cash consideration of A$4.6 million.

During the year 52,500 Series F Special Options were issued to Westfield Capital Corporation Finance Pty Limited for a cash consideration of US$4.7 million. Each Series F Special Option entitles the holder the right to subscribe for 1,049 fully paid $1.00 Ordinary Units in WAT in exchange for either US$1,000.00 ($1,802.45) or 1 Series F Preferred Share in WEA. The Series F Special Options are exercisable during the period commencing on 1 June 2007 and ending on 1 June 2020. At 31 December 2000, there were 52,500 Series F Special Options on issue which are convertible to 55,072,500 Ordinary Units in WAT.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 7 RESERVES				
Asset Revaluation Reserve	139.9	55.3	668.2	261.2
Option Premium Reserve	4.7	2.1	8.1	2.7
	144.6	57.4	676.3	263.9
Movements In Reserves				
Asset Revaluation Reserve				
Balance at beginning of the year	55.3	43.0	261.2	334.3
Revaluation of investment in Westfield America, Inc.	99.3	28.1	431.8	(48.9)
Amounts transferred to Distributable Income during the year*	(14.7)	(15.8)	(24.8)	(24.2)
Balance at end of the year	139.9	55.3	668.2	261.2
Option Premium Reserve				
Balance at beginning of the year	2.1	2.1	2.7	2.7
Premium on issue of 52,500 Series F Special Options – net of costs	4.7	–	8.1	–
Cancellation of 270,000 Series B Special Options	(2.1)	–	(2.7)	–
Balance at end of the year	4.7	2.1	8.1	2.7

* In accordance with the provisions of the Constitution dated 28 March 1996 as amended, the Responsible Entity, Westfield America Management Limited, has determined that $24.8 million (US$14.7 million) be transferred from the Asset Revaluation Reserve to Distributable Income for the year ended 31 December 2000.

Accordingly, Distributable Income (which is equal to Net Accounting Income) of the Trust for the year ended 31 December 2000 is $141.8 million (US$90.3 million).

NOTE 8 AUDITORS' REMUNERATION				
Amounts paid or due and payable to:				
Auditors of the Parent Entity: – for audit services	0.071	0.080	0.119	0.124
– for other services	0.001	0.016	0.002	0.025
	0.072	0.096	0.121	0.149

	US$		A$	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 9 NET ASSET BACKING PER UNIT				
Net Asset Backing Per Unit	0.95	0.88	1.71	1.34

Net asset backing per unit is calculated by dividing Total Equity Interests by the number of Ordinary Units on issue at the end of the financial year.

NOTE 10 DERIVATIVE FINANCIAL INSTRUMENTS

Exchange rates

	Weighted average forward exchange rate	To pay US$ million	To receive A$ million
Forward Exchange Contracts extant at 31 December 2000			
maturing in:			
One year	0.6427	94.5	147.1
One to five years	0.6143	377.9	615.2

The Parent Entity has entered into currency hedges in respect of a proportion of its US$ dividends and distributions receivable from its controlled entities. These hedges are not recognised on the financial statements until the underlying transactions are recorded.

The average forward exchange rate at 31 December 2000 for contracts with similar maturity profiles was A$1.00 = US$0.5567 (A$1.00 = US$0.6523 at 31 December 1999).

Credit Risk

In accordance with the policies determined by the Board of the Responsible Entity, credit risk is spread among a number of financial institutions. The Parent Entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet. Credit risks in relation to unrecognised financial assets arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. As at 31 December 2000 the Parent Entity's total credit risk exposure in respect thereof was A$nil (US$nil) (A$10.4 million (US$6.8 million) at 31 December 1999).

NOTE 11 SUBSEQUENT EVENTS

On 15 February 2001 WAT announced its intention to acquire, via a cash tender offer, 16,482,780 Common Shares in Westfield America, Inc. (WEA) held by the public, for US$16.25 per share, representing a transaction value of $509.0 million (US$267.8 million).

The acquisition will be funded substantially by equity raised through a private placement of 310,500,000 Ordinary Units in WAT to institutional investors at $1.45 per unit. The placement of $450.2 million is fully underwritten. The balance of the funding (including acquisition costs) will be funded through an issue of 1,000,000 Redeemable Converting Preference Units in WAT at $100.00 per unit, which is also fully underwritten.

The transaction was unanimously approved by the independent members of the WEA Board.

After the transaction, WAT's economic interest in WEA will increase from 56.9% to 72.3% and WEA will cease to be listed on the New York Stock Exchange.

These events occurred after the reporting date and their financial effect has not been recognised in these Financial Statements.

NOTE 12 RELATED PARTY TRANSACTIONS

Related party transactions that occurred during the financial period are set out below unless already disclosed elsewhere in these Financial Statements.

(i) Acquisition of an Interest in Garden State Plaza and Issue of Series F Special Options

On 1 June 2000, in accordance with approval obtained from the Members of the Trust at a General Meeting held on 4 May 2000, Westfield America, Inc. acquired the WHL Group's 50% interest in Westland Garden State Plaza Limited Partnership, the sole asset of which is the Garden State Plaza Shopping Centre, located in Paramus, New Jersey, in the United States. As part of this transaction, the Economic Entity also assumed the obligations and liabilities of Westfield Partners, Inc. and Westland Management, Inc. (two wholly-owned subsidiaries of Westfield Holdings Limited which directly held the WHL Group's interest in Garden State Plaza) under a non-recourse participating loan to the Westfield America Limited Partnership ("Operating Partnership") of US$145 million.

The acquisition involved the following transactions:

Purchase of Interest in Garden State Plaza in Exchange for Series F Partnership Preferred Units

(a) On 1 June 2000, Westfield Partners, Inc. and Westland Management, Inc. entered into a Contribution Agreement with the Operating Partnership. Westfield America, Inc. is the general partner of, and holds a controlling interest in, the Operating Partnership.

Series F Partnership Preferred Units

Under the Contribution Agreement, Westfield Partners, Inc. and Westland Management, Inc. contributed their respective interests in Garden State Plaza to the Operating Partnership, in exchange for 52,483 Series F Partnership Preferred Units in the Operating Partnership ("Series F Partnership Preferred Units").

The Series F Partnership Preferred Units are limited partnership interests in the Operating Partnership, with a face value of US$1,000 per unit. The Series F Partnership Preferred Units do not carry any right to convert into Common Stock of Westfield America, Inc. Distributions on each Series F Partnership Preferred Unit will be paid quarterly, in an amount equal to the greater of (A) US$21.25 per quarter (representing an 8.5% yield on the face value); or (B) an amount equal to 51.4933 (adjusted for stock splits and other similar matters) multiplied by the dividend paid on a share of Common Stock of Westfield America, Inc. for the relevant quarter.

After 1 June 2001, the WHL Group will have the right to require the Operating Partnership to redeem the Series F Partnership Preferred Units for cash. In this situation, however, Westfield America, Inc. will have the right to acquire the Series F Partnership Preferred Units from the WHL Group by issuing an equivalent number of shares of Series F Cumulative Preferred Stock ("Series F Preferred Shares") instead of paying cash. The main terms of the Series F Preferred Shares are described below.

The Series F Partnership Preferred Units will be redeemable by the Operating Partnership at any time after 1 June 2020, at a redemption price for each Partnership Preferred Unit equal to US$1,000 plus all accrued but unpaid dividends.

If the Operating Partnership is wound up, each Series F Partnership Preferred Unit will carry a right to participate in the capital of the Operating Partnership in the amount of US$1,000 plus all accrued but unpaid dividends. This will rank ahead of the rights of holders of any common partnership units, common investor unit rights or any other units in the Operating Partnership that by their terms rank junior to the Series F Partnership Preferred Units.

The Series F Partnership Preferred Units carry only those voting and consent rights granted to other holders of units in the Operating Partnership, such as voting rights in respect of proposals for any material adverse amendment of the rights attached to the Series F Partnership Preferred Units. The Series F Partnership Preferred Units carry no right to vote at meetings of Westfield America, Inc. The Series F Partnership Preferred Units will not be quoted on the New York (or any other) Stock Exchange.

Series F Preferred Shares

The Series F Preferred Shares will not carry any right to convert into Common Stock of Westfield America, Inc. Dividends on each Series F Preferred Share will be payable quarterly, in an amount equal to the greater of (A) US$21.25 per quarter (representing an 8.5% yield on the face value); or (B) an amount equal to 51.4933 (adjusted for stock splits and other similar matters) multiplied by the dividend paid on a share of Common Stock of Westfield America, Inc. for the relevant quarter.

NOTE 12 RELATED PARTY TRANSACTIONS (continued)

Series F Preferred Shares (continued)

Westfield America, Inc. may redeem the Series F Preferred Shares in whole or in part at any time after 20 June 2020, at a redemption price for each Series F Preferred Share equal to US$1,000 plus all accrued and unpaid dividends.

If Westfield America, Inc. is wound up, each Series F Preferred Share will carry a right to participate in the capital of Westfield America, Inc. in the amount of US$1,000 plus all accrued but unpaid dividends. This will rank ahead of the rights of holders of Common Stock but behind all creditors and pari passu with the holders of other equity securities in Westfield America, Inc. (unless the terms of those equity securities provide otherwise).

The holders of Series F Preferred Shares will have the same voting rights as the holders of Common Stock, except that they will have 51.4933 votes per Series F Preferred Share. The Series F Preferred Shares will not be quoted on the New York (or any other) Stock Exchange.

Right to put Westland Realty, Inc.

(b) On 1 June 2000, the WHL Group, through its wholly owned subsidiary Westfield Capital Corporation Finance Pty Limited ("WCCF") (which holds all the shares in Westland Realty, Inc.) entered into an agreement with Westfield America, Inc., under which WCCF has the right to sell Westland Realty, Inc. to Westfield America, Inc. in exchange for Series F Preferred Shares ("WCCF Put"). WCCF paid Westfield America, Inc. US$10,000 for the grant of the WCCF Put.

The net assets of Westland Realty, Inc. (and its wholly owned subsidiaries Westfield Partners, Inc. and Westland Management, Inc.) principally comprise 52,483 Series F Partnership Preferred Units.

If WCCF exercises the WCCF Put, the exercise price payable by Westfield America, Inc. in exchange for WCCF's shares in Westland Realty, Inc. will be 98% of the fair market value of Westland Realty, Inc. (as determined by independent valuation). The exercise price will be payable in Series F Preferred Shares (also valued by an independent valuation). Each of these valuations will be made as at the exercise date. If, at the time of exercise of the WCCF Put, Westfield America, Inc. elects not to retain any of the assets of Westland Realty, Inc. (other than securities of Westfield America, Inc. or the Operating Partnership) then, for the purpose of determining the fair market value of Westland Realty, Inc., the fair market value of those assets will be reduced by the sum of the reasonably estimated cost of disposing of those assets and all income, transfer and other taxes which will be incurred in connection with that disposal.

The WCCF Put will not be able to be exercised if, at the time of exercise, Westland Realty, Inc. holds any assets (other than securities of Westfield America, Inc. or the Operating Partnership) which, in the opinion of Westfield America, Inc. could cause Westland Realty, Inc. to fail to qualify as a Real Estate Investment Trust for US taxation purposes.

The WCCF Put will be exerciseable at any time after 1 June 2002 and up to 1 June 2010.

Issue of Series F Special Options

(c) On 1 June 2000, the Manager granted 52,500 Series F Special Options to Westfield Capital Corporation Finance Pty Limited, a member of the WHL Group, in return for a payment of US$4.7 million, based on an independent, arm's length valuation.

Each Series F Special Option entitles the holder to subscribe for 1,049 fully paid ordinary units in the Trust in exchange for either US$1,000 or one Series F Preferred Share (with an effective exercise price of A$1.55 per unit).

If a Series F Special Option is exercised and the holder elects to deliver a Series F Preferred Share rather than cash in satisfaction of the exercise price, a valuation of the Series F Preferred Shares will be undertaken by an independent valuer. If the value of a Series F Preferred Share as determined by the independent valuer is less than US$1,000, the holder of the Series F Special Option will be required to pay an additional amount to the Trust, equal to the difference between that value and US$1,000.

The Series F Special Options, which are transferable, may be exercised at any time during the period commencing on 1 June 2007 and expiring on 1 June 2020. Ordinary units in the Trust issued as a consequence of the exercise of the Series F Special Options will (a) rank for distributions of income in the Trust from the first day following their allotment; and (b) participate in that proportion of the distributable income of the Trust in respect of the distribution period during which they are allotted that the number of days commencing from the date following their allotment to the end of that distribution period bears to the total number of days in that distribution period. In all other respects, the units to be allotted as a consequence of the exercise of the Series F Special Options will have the same rights as all other fully paid ordinary units on issue.

NOTE 12 RELATED PARTY TRANSACTIONS (continued)

(ii) Acquisition of 2000 Warrant

On 1 June 2000, in accordance with approval obtained from the Members of the Trust at a General Meeting held on 4 May 2000, the Trust acquired a warrant issued by Westfield America, Inc. ("2000 Warrant") entitling (but not obliging) the Trust to purchase additional Common Stock in Westfield America, Inc. ("Common Stock"). The Trust paid Westfield America, Inc. US$1.86 million for the 2000 Warrant, based on an independent, arm's length valuation.

The 2000 Warrant is exerciseable in whole or in part at any time after the date of issue up to 1 June 2025. The 2000 Warrant entitles the holder to acquire 2,840,000 shares of Common Stock (adjusted for stock splits and other similar matters). The exercise price for the 2000 Warrant is US$19.42 per share of Common Stock (adjusted for stock splits and other similar matters).

In conformity with the requirements under the Corporations Law, the 2000 Warrant will only be exercised if, at the relevant point in time and having regard to all the circumstances, the Board of Directors of the Responsible Entity of the Trust determines that to do so would be in the best interests of the Members of Westfield America Trust.

Under the terms of the approval from the Members of the Trust, prior to the exercise of the 2000 Warrant, the Board of Directors of the Responsible Entity of Westfield America Trust is required to commission and receive a report from a duly qualified independent expert confirming that, at the relevant point in time and having regard to all the circumstances, the exercise of the Warrants and the consequential acquisition of Common Stock in Westfield America, Inc. is fair and reasonable to the Members of the Trust other than Members of the WHL Group or any of their associates.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
(iii) Other				
Manager's Service Fee paid or due and payable to the Manager	–	–	–	–

Westfield America, Inc. has engaged Westfield U.S. Advisory L.P. ("Advisor") to provide information, advice and assistance to Westfield America, Inc. and to undertake certain duties and responsibilities on behalf of, and subject to, the supervision of Westfield America, Inc. The Advisor will be paid an annual Advisory Fee equal to the lesser of 0.55% of the net equity value of Westfield America, Inc., or, 25% of the annual Funds From Operations of Westfield America, Inc. in excess of a base amount of Funds From Operations as adjusted from time to time to reflect new issues of Common Stock. The term "Funds From Operations" means net income/(loss) (computed in accordance with generally accepted accounting principles in the United States) ("GAAP") excluding gains (or losses) from debt restructuring and sales of property, plus real estate related depreciation and amortisation and after adjustments for consolidated partnerships and joint ventures.

The Trust and Westfield America Management Limited ("Manager") entered into an agreement whereby the Trust will be managed by the Manager for which the Manager will be paid an annual fee of 0.55% of the net asset value of the Trust. In addition, the Manager has agreed that this fee payable by the Trust will be reduced by an amount equivalent to the proportion of the Advisory Fee paid by Westfield America, Inc. to the Advisor which is attributable to the Trust's ownership interest in Westfield America, Inc.

The Manager and the Advisor agreed at the time of the listing of the Trust to forego the entitlement to their Service Fee for the period from 28 March 1996, the inception of the Trust, to 31 December 1997. In addition, the Manager has agreed to forego its entitlement to the Service Fee being the amount in excess of the Trust's ownership interest proportion of the Advisory Fee paid by Westfield America, Inc. to the Advisor, for the period ended 31 December 2000.

NOTE 13 FINANCIAL REPORTING BY SEGMENTS

The Parent Entity operates solely as a retail property investor in the United States.

	US$ million		A$ million	
	31 Dec 2000	31 Dec 1999	31 Dec 2000	31 Dec 1999
NOTE 14 NOTES TO THE STATEMENT OF CASH FLOWS				
(a) COMPONENTS OF CASH				
Cash	0.7	0.4	1.3	0.6
	0.7	0.4	1.3	0.6
(b) RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO EARNINGS AFTER WITHHOLDING TAX				
Net cash in/(out) flows from operating activities	78.9	66.6	121.8	98.6
United States Withholding Tax expense	(7.0)	(9.7)	(10.9)	(14.9)
(Decrease)/Increase in other net assets attributable to operating activities	3.7	2.3	6.1	7.3
Earnings After Withholding Tax	75.6	59.2	117.0	91.0
(c) FINANCING FACILITIES				
Firmly committed financing facilities available to the Parent Entity are as follows:				
Total financing facilities#	55.5	42.5	100.0	65.0
Amounts utilised*	(26.3)	(12.4)	(47.5)	(19.0)
Available financing facilities#	29.2	30.1	52.5	46.0
Cash (Refer Note 14 (a))	0.7	0.4	1.3	0.6
Total available financing facilities	29.9	30.5	53.8	46.6

Financing facilities comprise bank facilities for general corporate purposes.

Available financing facilities at 31 December 2000 comprise:

(i) an unsecured revolving credit facility of $30.0 million (US$16.6 million) (31 December 1999 $65.0 million (US$42.5 million)) with a bank. The facility is an interest only floating rate facility maturing in December 2001. At 31 December 2000, amounts available under this facility totalled $30.0 million (US$16.6 million) (31 December 1999 $46.0 million (US$30.1 million)).

(ii) an unsecured revolving credit facility of $70.0 million (US$38.8 million) (31 December 1999 Nil) with a bank. This facility is an amortising floating rate facility with an ultimate maturity date of 30 June 2003. At 31 December 2000, amounts available under this facility totalled $22.5 million (US$12.6 million) (31 December 1999 Nil).

* Amounts utilised have been translated at exchange rates ruling at balance date and do not include the effects of currency hedge contracts.

Directors' Declaration

for the year ended 31 December 2000

W E S T F I E L D A M E R I C A T R U S T 2 0 0 0

The Directors of Westfield America Management Limited, the responsible entity of Westfield America Trust (**"Trust"**), declare that:

(a) the Financial Statements for the year ended 31 December 2000 (**"Financial Year"**) and notes thereto comply with the accounting standards;

(b) the Financial Statements and notes thereto give a true and fair view of the financial position and performance of the Trust;

(c) in the Directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and

(d) in the Directors' opinion, the Financial Statements and notes thereto are in accordance with the Corporations Law, including sections 296 and 297.

Made on 22 February 2001 in accordance with a resolution of the Directors.

FP Lowy, AC
Chairman

SP Johns
Group Finance Director

Independent Audit Report

for the year ended 31 December 2000

W E S T F I E L D A M E R I C A T R U S T 2 0 0 0

To the Members of Westfield America Trust

Scope

We have audited the financial report of Westfield America Trust for the period ended 31 December 2000, being the Profit and Statement, Statement of Cash Flows, Balance Sheet, notes to the financial statements and the Directors' Declaration. The financial report includes the financial statements of Westfield America Trust, and the consolidated financial statements of the consolidated entity comprising Westfield America Trust and the entities it controlled at year's end or from time to time during the financial year. The responsible entity's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the Members of the registered scheme.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and statutory requirements, in Australia, so as to present a view which is consistent with our understanding of the registered scheme's and the consolidated entity's financial position and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report of Westfield America Trust is in accordance with:

(a) the Corporations Law including:

  (i) giving a true and fair view of the registered scheme's and consolidated entity's financial position as at 31 December 2000 and of their performance for the year ended on that date; and

  (ii) complying with Accounting Standards and the Corporations Regulations; and

(b) other mandatory professional reporting requirements.

Ernst & Young

Brian Long
Partner

Sydney
22 February 2001

Directors' Report

for the year ended 31 December 2000

The Directors of Westfield America Management Limited, the Responsible Entity of Westfield America Trust (**"Trust"**), submit the following Report for the year ended 31 December 2000.

Corporations Law Section 299

(a) A review of the operations of the Trust during the financial year ended 31 December 2000 (**"Financial Year"**) and the results of those operations are set out in the Year in Review, at pages 6 to 13 (**"Review of Operations"**).

(b) There were no significant changes in the Trust's state of affairs during the Financial Year other than in connection with the transition of the Trust to the managed investments regime, under which the former separate roles of the Trustee and Manager of the Trust were replaced by a single responsible entity. Westfield America Management Limited became the responsible entity of the Trust on 3 April 2000.

(c) The principal activities of the Trust during the Financial Year were the ownership and improvement of shopping centres in the United States, via its investment in Westfield America, Inc. There were no significant changes in the nature of those activities during the Financial Year.

(d) On 15 February 2001, the Trust announced its intention to acquire via a cash tender offer, 16,482,780 Common Shares in Westfield America, Inc. (WEA) held by the public, for US$16.25 per share, representing a transaction value of $509.0 million (US$267.8 million).

The acquisition will be funded substantially by equity raised through a private placement of 310,500,000 Ordinary Units in the Trust to institutional investors at $1.45 per unit. The placement of $450.2 million is fully underwritten. The balance of the funding (including acquisition costs) will be funded through an issue of 1,000,000 Redeemable Converting Preference Units in the Trust at $100.00 per unit, which is also fully underwritten.

The transaction was unanimously approved by the independent members of the WEA Board.

After the transaction, the Trust's economic interest in WEA will increase from 56.9% to 72.3% and WEA will cease to be listed on the New York Stock Exchange.

These events occurred after the reporting date and their financial effect has not been recognised in these Financial Statements.

No other matter or circumstance has arisen since the end of the Financial Year that has significantly affected, or may significantly affect:

(i) the Trust's operation in future financial years; or

(ii) the results of those operations in future financial years; or

(iii) the Trust's state of affairs in future financial years.

(e) The likely developments in the Trust's operations in future financial years and the expected results of those operations are described in the Review of Operations, at pages 6 to 13 and (d) above.

Corporations Law Section 300

(a) The following distributions were paid to Members during the Financial Year:

Ordinary Units:

The distribution for the 6 months ended 31 December 1999, paid 28 February 2000 — $60.8 million

This was paid to Members as follows:

- for units issued on 31 August 1999 under the Trust's Distribution Reinvestment Plan – 4.11 cents per unit
- for units issued on 15 July 1999 – 4.11 cents per unit
- for all other Ordinary Units – 6.20 cents per unit

The distribution for the 6 months ended 30 June 2000, paid 31 August 2000 — $66.5 million

This was paid to Members as follows:

- for units issued on 28 February 2000 under the Trust's Distribution Reinvestment Plan – 4.28 cents per unit
- for all other Ordinary Units – 6.38 cents per unit

(b) The following distributions were recommended or declared for payment to Members, but not paid, during the Financial Year:

Ordinary Units:

The distribution for the 6 months ended 31 December 2000, payable 28 February 2001 — $75.3 million

This will be paid to Members as follows:

- for units issued on 31 August 2000 under the Trust's Distribution Reinvestment Plan – 4.40 cents per unit

Corporations Law Section 300 (continued)

- for units issued on 31 August 2000 – 4.40 cents per unit
- for all other Ordinary Units – 6.63 cents per unit

(c) Perpetual Trustee Company Limited was the Trustee of the Trust from 1 January 2000 to 3 April 2000. Westfield America Management Limited became the Responsible Entity of the Trust on 3 April 2000.

The names of the Directors of Westfield America Management Limited and the relevant interests of each Director in the units in the Trust as at the date of this Report are shown below. There has been no change to the Board membership during or since the end of the Financial Year.

Director	Number of Ordinary Units	Number of Partly Paid Stapled Securities
FP Lowy, AC		
DH Lowy	67,572,059	Nil
PS Lowy		
SM Lowy		
RA Ferguson	Nil	Nil
DM Gonski	58,205	2,100
FG Hilmer, AO	Nil	3,180
SP Johns	17,510	400
DR Wills, AO	Nil	Nil
CM Zampatti, AM	Nil	Nil

(d) No options were granted over unissued units in the Trust during or since the end of the financial year to Perpetual Trustee Company Limited or any of the Directors or officers of the Responsible Entity.

(e) Details of unissued units in the Trust which were under option as at the date on this Report are set out in Note 14 to the Financial Report on pages 35 and 36.

(f) No units were issued in the Trust during or since the end of the Financial Year as a result of the exercise of an option over unissued units in the Trust.

(g) No insurance premiums were paid during or since the end of the Financial Year out of the assets of the Trust in regards to insurance cover provided to either the Manager, the Trustee or the Responsible Entity or the auditors of the Trust. So long as the officers of both the Manager and the Trustee or of the Responsible Entity act in accordance with the Constitution and the Law, they remain fully indemnified out of the assets of the Trust against any losses incurred while acting on behalf of the Trust. The auditors of the Trust are in no way indemnified out of the assets of the Trust.

(h) $54.7 million in fees were paid and payable to the Responsible Entity and its associates out of the assets of the Trust during the Financial Year.

(i) 112 units in the Trust were held by the Responsible Entity as at the end of the Financial Year. Associates of the Responsible Entity held 251,623,644 ordinary units and 3,580 Partly Paid Stapled Securities in the Trust as at the end of the Financial Year.

(j) Details of Units issued in the Trust during the Financial Year are set out in Note 14 on page 35.

(k) Details of the value of Trust assets as at the end of the Financial Year and the basis for the valuation are set out in Note 5 on pages 30 to 32.

(l) Details of the number of Units in the Trust as at the end of the Financial Year are set out in Note 14 on page 35.

This Report is made in accordance with a resolution of the Board of Directors on 22 February 2001

FP Lowy, AC
Chairman

SP Johns
Group Finance Director

Corporate Governance Statement

for the year ended 31 December 2000

Set out below is a statement of the main corporate governance practices which Westfield America Trust (**"the Trust"**) had in place during the financial year ended 31 December 2000.

Trustee Role

Prior to the transition of the Trust to the managed investments regime on 3 April 2000, the Trust operated under a structure in which there was a separate Trustee and Manager.

The previous Trustee of the Trust, Perpetual Trustee Company Limited, is a member of the Perpetual Trustee Group, which is Australia's largest independent Trustee organisation having extensive experience in acting as Trustee of unit trusts including listed property trusts.

The Trustee's role prior to transition was to ensure that the Trust was administered and maintained and that unit holders' interests were adequately safeguarded in conformity with the terms of the Trust Deed and applicable legal requirements and consistently with prudential standards appropriate to the operation of a major public trust.

The Trustee's duties included the review and approval of investment proposals with respect to the assets of the Trust that were forwarded to it from time to time by the Manager of the Trust.

The Board of Directors of Westfield America Management Limited

Since transition to the managed investments regime, the functions of the Trustee as outlined above have effectively been performed by Westfield America Management Limited as the Responsible Entity of the Trust.

The ultimate responsibility for corporate governance of the Responsible Entity resides with its Board of Directors which comprises ten directors, six of whom are Non-Executive Directors. The Chairman of the Board is FP Lowy AC, and the Deputy Chairmen are FG Hilmer AO, and DH Lowy.

It is the policy of the Board that its membership should reflect an appropriate balance between executives possessing extensive direct experience and expertise in the Trust's core activities, and non-executive members who have outstanding track records and reputations attained at the highest levels of industry and who are able to bring to the Board a broad range of general commercial expertise and experience.

The membership of the Board is reviewed by the full Board from time to time having regard to the ongoing needs of the Trust. The appointment of a new member to the Board is only made after consultation with, and consensus being achieved among, the Non-Executive Directors.

Full Board meetings are held at regular intervals with about ten regular meetings being held during a financial year and additional meetings being held if necessary. Directors are provided with Board reports containing sufficient information to enable informed discussion of all agenda items in advance of Board meetings. Any Non-Executive Director may, if that Director deems it necessary, seek independent legal advice on any matter connected with the performance of their duties. In such cases, the Responsible Entity will reimburse the reasonable costs of such advice. Directors are asked to notify the Company Secretary in advance of seeking such advice.

The procedures for establishing and reviewing the compensation arrangements for the Responsible Entity are specified in the Constitution of the Trust.

The names of the Directors of the Responsible Entity in office at the date of this statement are set out on page 19.

The Board has established an Audit and Compliance Committee and a Compliance Committee to assist it in discharging its responsibilities. These committees are described below.

Audit and Compliance Committee

The Audit and Compliance Committee comprises two Non-Executive Directors of the Responsible Entity, namely:

FG Hilmer, AO (Chairman)	Non-Executive Director
DM Gonski	Non-Executive Director

The primary function of the Audit and Compliance Committee is to ensure that an effective internal control framework exists through the establishment and maintenance of adequate internal controls to safeguard the assets of the Trust and to ensure the integrity and reliability of financial and management reporting systems.

Audit and Compliance Committee (continued)

The Audit and Compliance Committee:

- reviews and reports to the Board on the half-yearly and annual reports and Financial Statements of the Trust;
- is responsible for nominating the external auditor and reviewing the adequacy, scope and quality of the annual statutory audit and half yearly statutory audit review;
- reviews the effectiveness of the internal control environment, including the effectiveness of internal control procedures;
- monitors and reviews the reliability of financial reporting;
- monitors and reviews the compliance of the Responsible Entity with the Trust's Constitution and applicable laws and regulations;
- determines the scope of the internal audit function to ensure that its resources are adequate and effectively used, including the co-ordination of the internal and external audit functions;
- monitors the adequacy and effectiveness of compliance systems in relation to the legal exposures of the Trust.

The Audit and Compliance Committee has accepted as a matter of principle that the Responsible Entity should have in place an adequate compliance and control framework based upon appropriate written procedures, policies and guidelines to enable the areas of legal risk to the Trust to be identified and appropriately reacted to and to ensure that members of staff are informed as to those areas of material legal risk relevant to the operational activities in which they were engaged.

Compliance officers have been appointed for the Trust and are responsible for reviewing and monitoring the efficacy of compliance systems on an ongoing basis to ensure appropriate measures are in place to educate staff as to their compliance responsibilities, and to report to the Audit and Compliance Committee on the operation of compliance procedures.

The Audit and Compliance Committee meets with the external auditors at least twice a year and more frequently if required. The internal and external auditors have a direct line of communication at any time to either the Chairman of the Audit and Compliance Committee or the Chairman of the Board.

The Audit and Compliance Committee reports to the full Board after each committee meeting.

Compliance Committee

Under the managed investment regime, the Responsible Entity is required to register a Compliance Plan with the Australian Securities & Investments Commission. The Compliance Plan outlines the measures which are to be applied by the Responsible Entity to ensure compliance with the Corporations Law and the Trust's Constitution.

The Compliance Committee is responsible for monitoring Westfield's compliance with the Compliance Plan and report on its findings to the Board.

The Compliance Committee comprises two External Members and one Executive Director of the Responsible Entity, namely:

JB Studdy, AM (Chairman)	External Member
GT Forster	External Member
SP Johns	

GT Forster was appointed to the Committee to replace L D J Martin with effect from 1 August 2000, following Mr Martin's appointment as Chief Executive of DTZ Australia.

The Compliance Committee reports to the full Board after each compliance committee meeting and otherwise as required.

Stock Exchange Information

Twenty Largest Holders of Ordinary Units as at 16 February 2001

W E S T F I E L D A M E R I C A T R U S T 2 0 0 0

The percentage of the total holding of the 20 largest Ordinary Members in the Trust is 72.29% as at 16 February 2001.

		Number of Ordinary Units	% of issued Ordinary Units
1.	WestUS Pty Limited	184,251,764	15.59
2.	Chase Manhattan Nominees Limited	120,981,959	10.24
3.	Westpac Custodian Nominees Limited	79,541,921	6.73
4.	Cordera Holdings Pty Limited	67,572,059	5.72
5.	Westfield US Investments Pty Limited	51,181,045	4.33
6.	National Nominees Limited	45,115,628	3.82
7.	AMP Life Limited	38,310,999	3.24
8.	Permanent Trustee Australia Limited	36,434,704	3.08
9.	Cogent Nominees Pty Limited	32,889,598	2.78
10.	Cogent Nominees Pty Limited	29,599,831	2.50
11.	MLC Limited	27,831,339	2.36
12.	Perpetual Trustees Australia Limited	26,900,000	2.28
13.	Mercantile Mutual Life Insurance Company Limited	17,975,656	1.52
14.	Commonwealth Custodial Services Limited	15,838,387	1.34
15.	HSBC Custody Nominees (Australia) Limited	15,234,301	1.29
16.	Queensland Investment Corporation	14,291,610	1.21
17.	Bond Street Custodians Limited	13,540,074	1.15
18.	BT Custodial Services Pty Limited	12,937,641	1.09
19.	Transport Accident Commission	12,156,605	1.03
20.	MLC Lifetime Company Limited	11,736,093	0.99
		854,321,214	72.29

DISTRIBUTION SCHEDULE OF ORDINARY UNITS AS AT 16 FEBRUARY 2001

Holding	Number of Members
1–1,000	675
1,001–5,000	3,680
5,001–10,000	1,939
10,001–100,000	2,114
100,001 and over	195
Total number of Ordinary Members	8,603

As at 16 February 2001, 389 Members hold less than a marketable parcel of Ordinary Units.

VOTING ENTITLEMENT

Each Member (including holders of Ordinary Units, holders of Partly Paid Stapled Securities and holders of Options):

(a) on a show of hands, has one vote; and

(b) on a poll, has one vote for each dollar of the value of the total interest the member has in the Trust.

SUBSTANTIAL HOLDERS

The names of the Trust's substantial holders and the number of Ordinary Units in which each has a relevant interest as disclosed in substantial holder notices given to the Trust are as follows:

Westfield Holdings Group	233,652,550
AMP Limited	83,931,448
Deutsche Australia Limited	80,045,656
National Australia Bank Limited Group	74,619,878
Commonwealth Bank of Australia, Colonial Limited	62,738,056
Lend Lease Corporation Limited	59,180,464

Stock Exchange Information (continued)

Twenty Largest Holders of Partly Paid Stapled Securities as at 16 February 2001

W E S T F I E L D A M E R I C A T R U S T 2 0 0 0

The percentage of the total holding of the 20 largest Partly Paid Stapled Security Holders in the Trust is 94.93% as at 16 February 2001.

	Number of Partly Paid Stapled Securities	% of issued Partly Paid Stapled Securities
1. National Nominees Limited	617,877	19.93
2. Citicorp Nominees Pty Limited	481,666	15.54
3. ANZ Nominees Limited	416,666	13.44
4. HSBC Custody Nominees (Australia) Limited	351,666	11.34
5. Brispot Nominees Pty Limited	343,852	11.09
6. Westpac Custodian Nominees Limited	191,916	6.19
7. Queensland Investment Corporation	183,123	5.91
8. Permanent Trustee Company Limited	144,987	4.68
9. DBM Investments Pty Limited	63,381	2.04
10. Australian Foundation Investment Company Limited	39,840	1.29
11. Morgan Stanley Dean Witter Australia Securities (Nominee) Pty Limited	32,788	1.06
12. Mercantile Mutual Life Insurance Company Limited	26,079	0.84
13. Chase Manhattan Nominees Limited	12,664	0.41
14. MLC Lifetime Company Limited	9,480	0.31
15. Tower Trust Limited	6,630	0.21
16. Commonwealth Custodial Services Limited	4,482	0.14
17. Cogent Nominees Pty Limited	4,283	0.14
18. Mrs Margot Ruth Downes	4,000	0.13
19. DMS Securities Pty Ltd	3,700	0.12
20. Valamoon Pty Limited	3,653	0.12
	2,942,733	94.93

DISTRIBUTION SCHEDULE OF PARTLY PAID STAPLED SECURITY HOLDERS AS AT 16 FEBRUARY 2001

Holding	Number of Security Holders
1–1,000	876
1,001–5,000	34
5,001–10,000	2
10,001–100,000	5
100,001 and over	8
Total number of Partly Paid Stapled Security Holders	925

Directory

W E S T F I E L D A M E R I C A T R U S T 2 0 0 0

Westfield America Trust
ARSN 092 058 449

Responsible Entity
Westfield America Management Limited
ACN 072 780 619

Registered Office
Level 24, Westfield Towers
100 William Street
Sydney NSW 2011

Telephone: (02) 9358 7000
Facsimile: (02) 9358 7881

Website: www.westfield.com.au

Directors of Westfield America Management Limited
Frank P Lowy, AC *Chairman*
Frederick G Hilmer, AO *Deputy Chairman*
David H Lowy *Deputy Chairman*
Robert A Ferguson
David M Gonski
Stephen P Johns
Peter S Lowy
Steven M Lowy
Dean R Wills, AO
Carla M Zampatti, AM

Compliance Committee
John B Studdy, AM *Chairman*
George T Forster
Stephen P Johns

Secretary
Craig van der Laan de Vries

Director of Funds Management
Victor P Hoog Antink

Trust Manager
Daniel Rubinstein

Auditors
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The Ernst & Young Building
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Custodian
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Listings
Westfield America Trust – WFA
on *Australian Stock Exchange*

Westfield America, Inc. – WEA
on *New York Stock Exchange*

DESIGNED AND PRODUCED BY ARMSTRONG MILLER+McLAREN, SYDNEY – MELBOURNE.

Westfield